Investment Prospects for 1935 — 1934 Business in Review

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

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. . . . The Nation's Business

Montreal's New Tax Raid
Expert Advice is Ignored
The Race for Central Bank Directorships
"Wealthy Men" and What They Do
John McFarland Produces Another Red Herring

Montreal Twists Rope to Hang Itself

MONTREALERS are currently faced with a tax situation which is not only of vital concern to themselves, but to citizens throughout the Dominion. It is the old story of an apathetic citizenry allowing a series of extravagant and wasteful administrations to create a debt which has got out of hand. The city has been living on bank loans, but the banks do not believe in throwing good money after bad, and the word has gone out that the city budget must be balanced. This did not come as a surprise, but the manner in which it is proposed to balance the budget through increased taxation of a most onerous type has caused the citizens of Montreal to awaken to the necessity of a thorough overhauling of the city's form of government.

The problem now before the city is how to balance the budget. To date there has been little or no suggestion at the city hall that the budget might be balanced by economy. There the thought prevails that the budget must be balanced through taxing an already overburdened citizenry.

Thomas Bradshaw and a group of experts were called into consultation. They produced a report which provided for equitable treatment of all taxpayers. The consideration given to the Bradshaw plan, which was conceived by unbiased experts, lasted long enough to give the aldermen time to read it. Then it was thrown into the waste-basket because the proposals might affect votes. Mayor Houde concocted his own plan of taxation to raise the necessary income to balance the budget, including a retail sales tax. The mayor's scheme envisages no major economies. It seems to be an easy way out. Unfortunately, however, it bears no promise of reform of the policies of adding to taxation rather than curbing extravagances which have landed Canada's biggest city in its present plight of near-insolvency.

It is unfortunate that the businesslike proposals of the Bradshaw commission did not receive adequate consideration. Higher taxation as proposed by Mayor Houde will inescapably confine the city's growth. It may defeat its own purpose of raising revenue because of the ill effect on productive capacity.

Because of high taxes Toronto is losing out industrially to smaller centres. Montreal, too, is putting barriers in the way of its growth.

* * *

Many Good Men Seek Directorships

IT WILL be a fortuitous circumstance if out of the 69 candidates for directorship on the Bank of Canada, the shareholders select a really first-class board, representative of all parts of Canada. Too much was left to chance and to the propaganda of some of the less worthy but more energetic candidates for office. And yet the shareholders are likely to do as good a job as some of the slate-makers.

The Financial Post has not attempted to present a slate for the board. It doubts if slates will be very influential. With several different professions and lines of trade pushing their own favored candidates the slates are likely to have the effect of cancelling each other out.

The Canadian Chamber of Commerce has attempted to present a slate. It has been much criticized for doing so. The Chamber had a simple and effective idea in mind; that unless an effort were made to concentrate a very large block of votes on a complete slate representative of all provinces, the Maritimes, the West and British Columbia, with few shareholdings would go unrepresented on the board.

* * *

THE slate chosen by the Chamber has naturally failed to satisfy all the people even in those areas it was designed chiefly to serve. It includes such able men as Thomas Bradshaw of Toronto, W. D. Black of Hamilton and R. A. Wright of Drinkwater, Sask. But in selecting a lumberman to represent the Maritimes the Chamber offended the supporters of Nova Scotia's two fish

(Continued on page 2, col. 4)

XMAS BUYING EXPECTATIONS ARE EXCEEDED

Surge of Activity in Last Week Stimulated Industry

PRELUDE TO MORE

In United States and Canada Mercantile Services Discover Unfilled Demand Growing

Detailed reports of surging crowds invading the retail establishments of Canada for the ten days preceding Christmas indicate that annual statements of such companies as The T. Eaton Co., which is not given to the public, Simpson's Ltd., Hudson's Bay Co., Holt, Renfrew & Co., Tip Top Tailors and chain store companies of all sorts will be beneficially affected by that experience.

Merchants had in many places been made anxious by an apparent slack in demand after November but the advent of seasonable weather and the influences of the gift-giving season together overcame all dilatoriness in buying and customers simply trooped in to the stores.

Cautious retail buyers found themselves obliged to go to the wholesale stores again and again to fill their requirements and in some cases they found that it was impossible to fill the demand so suddenly arisen. It is possible that there will therefore be an underlying demand to be filled by sales in succeeding months this winter for seasonable goods, and that will be a good backlog.

Buying and Paying More

Though buyers showed the same disposition as in other years of the depression to place utility before pleasure in their purchases, it is reported that in this respect as well there was improvement. The average purchase was higher and the demand for radios, rugs, jewellery, pianos and furniture strengthened greatly. Dun's-Bradstreet's reports from various centres state that luxury goods were double what they were for Christmas a year ago.

Manufacturers are benefitting directly from the difficulty which retailers are experiencing in keeping pace with all demands for heavy clothing for men and women, fur garments, footwear, hardware, and groceries.

Employed 1,100 More

In a broadcast the day before Christmas, C. L. Burton, president Simpsons' Ltd., stated that the number of employees this Christmas exceeded that of any other Christmas by 1,100. The business rush was such that he believed if the experience were universal it would be difficult for any country long to experience a depression in the face of it. Eaton's also dealt with tremendous crowds. All Montreal departmental stores report large increases in volume. Ogilvie, for example, says that on one day the store had the record volume in its history.

Definite figures concerning sales of Christmas foods will not be available for at least a week, but the general report from such companies as Loblaws, Dominion Stores, Laura Secord, and National Grocers is to the effect that there will be an improvement over a year ago.

Candy Sales Jump

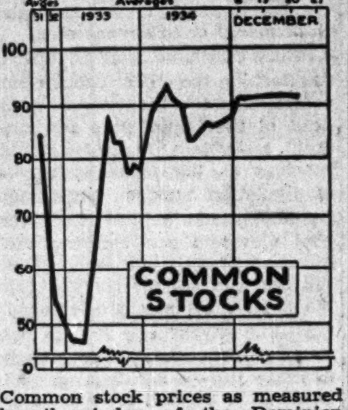
It is understood that sales of Laura Secord candies have been larger than at any other Christmas period since 1930 and it is expected that total volume for December will not fall short of the same month in that previous big year. The American Fanny Farmer company, which handles the same grade of candies through a similar chain of stores, it is believed, will be even better with sales for the first 11 months of the current year, exceeding the full year's total in 1933. When December, the best month in the candy business, is added, volume ahead of 1933 is anticipated.

In the grocery line, it is understood that most companies will show improvement over a year ago, and also a gain in the proportion of higher priced articles. Notwithstanding a substantial price increase in such commodities as fruits, nuts, cranberries and fowl, sales, it is reported, will top 1933 by a margin of ten to twenty per cent. The fact that there have been few local price wars in turkeys, this season, and prices have been two to five cents per pound above last year is taken as a favorable indication of better buying power because volume is believed to have been even larger than in 1933.

Mention J. Hector Bender for Bank of Canada Job

Announcement of the appointment of J. Hector Bender, Montreal, as the French-Canadian assistant deputy governor of the Bank of Canada is expected early in 1935, according to the Montreal Gazette.

Mr. Bender had a lengthy experience with The Royal Bank of Canada, his last post having been the managership of the St. Denis and St. Catherine branch, Montreal. He left the bank about four years ago and became administrative head of La Patrie, French language newspaper. He held this position until La Patrie was absorbed by La Presse.



Common stock prices as measured by the index of the Dominion Bureau of Statistics declined from 92.2 to 91.8 in the week ended Dec. 20. Indices are shown on page 5.

PARAMOUNT'S NEW COMMON 57c PER SHARE

Estimated 1934 Earnings as Applied to New Reorganized Stock

PAYING OFF LOANS

By Means of Securities — Film Business Suffers by Receivership — To Seek More Big Stars

Earnings from theatres in the Paramount Publix Corp. group are gaining while those in the film division are a little less than in 1933. Informed estimates in the United States are that $5,000,000 will be available for interest, sinking fund and dividends on the new securities to be issued under the reorganization plan. In the first nine months earnings were $4,530,000 against $5,692,000 in the same period of 1933. In 1934 $4,048,000 of this amount came from picture production and $482,000 from theatres. In the third quarter earnings from films were only $574,000, whereas in the same quarter of 1933 they were $918,000. Fourth quarter results will show the same disparity.

Fixed charges and dividends of $3,539,700 would leave $1,460,300 available for sinking fund of about $540,000 and leaving $920,000, or 57 cents a share, earned on the common stock in 1934. Earnings of $6,000,000, it is estimated, would raise common earnings to $1. Before the depression, and even before 1932, $6,000,000 a year was normally earned by the company.

Want Better Film Earnings

Picture production is far and away the company's most important activity. The decline in revenue from this source is attributed by the Wall St. Journal to the higher cost of making negatives under N.R.A. regulations, to the keen competition for stars which makes salary expense unduly high, to the loss of talented and valuable stars and directors during two years of receivership and to a consequent failure to realize the possible quality aimed at. Lower rentals and better public attendance have improved profits from theatres

Operating net would be really about $5,700,000 were it not for the necessity of deducting operating losses of Paramount Broadway Co. ($530,000 in first nine months). This may be eliminated under the reorganization.

The present common shareholders will be offered a quarter of a share of new common stock for the old and the right to subscribe for another quarter of a share, plus one fifth of a share of new 6 per cent convertible second preferred stock of $10 par value (ten shares of this will be convertible into nine shares of common) at $2. This is an assessment in reality, but it is urged that common shareholders will receive a valuable security in return for their money.

Those who do not subscribe will have their holdings scaled down one half. If all subscribe, there will be outstanding $6,441,805 new second preferred and 1,610,541 shares of new common.

The liabilities ahead of this new common stock will be $114,488,529 as compared with $129,152,419 in 1932 as shown in the first five items of liabilities in following comparative table:

Principal Items Compared

	As of Sept. 29, 1934 after reorg.	Oct., 1932 before receivership
Assets	$	$
Land, bldg., leases, equip.	86,141,718	208,271,136
Cash	15,456,788	6,530,081
Mkt. sec.	893,533	740,193
Acc. receiv.	3,826,275	4,314,776
Inventories	14,612,579	16,248,684
Invest. & adv. to affil. co's.	23,311,869	16,390,596
Deposits to sec. contract	1,322,201	2,843,105
Prepaid expenses	1,136,036	2,180,727
Bond dis. & def. chgs.	1,612,496	5,033,614
Liabilities	1934	1932
Current liabs.	10,338,614	28,487,716
Purchase money obl. (due after 1 year)	....	9,367,173
Mtge. & bds subsid. & purchase oblig.	43,488,110	66,107,530
6% bonds	27,110,000	11,976,000
5% bonds	....	13,214,000
6% first pfd.	27,110,000	....
6% second pfd.	6,441,805	....
Minority interest	5,900,243	5,720,999
Reserves	14,000,000	....
Reserve for exch.	....	1,815,690

The $18,000,000 reduction in current liabilities is the result of changing $13,000,000 from a bank loan into a fixed obligation. The $60,000,000 in new securities issued have been used to clear up bank loans, general liabilities and old debentures of about $28,000,000 and other claims.

CAN. CANNERS EARNINGS GAIN CURRENT YEAR

Expects Complete Clean-up in All Lines of Produce

PRICES FIRMER

Inventory and Bank Loan Reported Down—Dividend on Second Preferred Increased

With firmer prices, inventory in good shape and bank loans substantially reduced, Canadian Canners Ltd., The Financial Post is informed, is expected to show a considerable improvement over last year when net earnings, after taxes, were slightly in excess of $800,000. Normally, it is stated, this company should earn about $1,250,000 annually, and while such cannot be expected under present buying conditions, something in the neighborhood of $1,000,000 in net earnings is possible for the current year which ends Feb. 28, 1935.

Not Worrying

For the first time since the beginning of the depression, Canadian Canners is not worrying about demand, The Post learns from a source close to the company. Most canning crops, and particularly fruits, were short in Canada last season and despite heavy carry-overs since 1931 there is a very good chance of all supplies being cleaned up before the opening of the next canning season. Some lines in which crops were especially short have been sold out already.

Tomatoes

Tomatoes constituted the biggest single item in the carry-over of this and similar companies, it is understood, but these are moving freely. Canadian Canners has developed a new pack, employing small, whole fruits, which are being exported to Great Britain. No details are available concerning sales of this line yet. It is believed, however, that there are good possibilities.

United States Exports

Of more current interest, perhaps, is the growing possibility of exporting regular Canadian canned tomatoes to the U.S.A. Prices on the other side have risen sharply in the last few months and have reached a point where the difference in values between Canada and the States is almost equal to the 50 per cent tariff. In the next few months it is expected that the American values may rise high enough to permit profitable shipments from this country.

Less Home Preserving

Another favorable factor from the canners' standpoint, it is understood, was the short crop of fruits in Canada last summer. Many lines, like peaches and berries, were very light and the season, normally of several weeks duration, was very short also. This did not allow the average housewife time to preserve the normal supply, whereas commercial canning factories operating night and day were able to absorb bulk of the fruit offered. This shortage of home preserves is expected to be reflected in heavier sales of commercial jams and fruits from midwinter on.

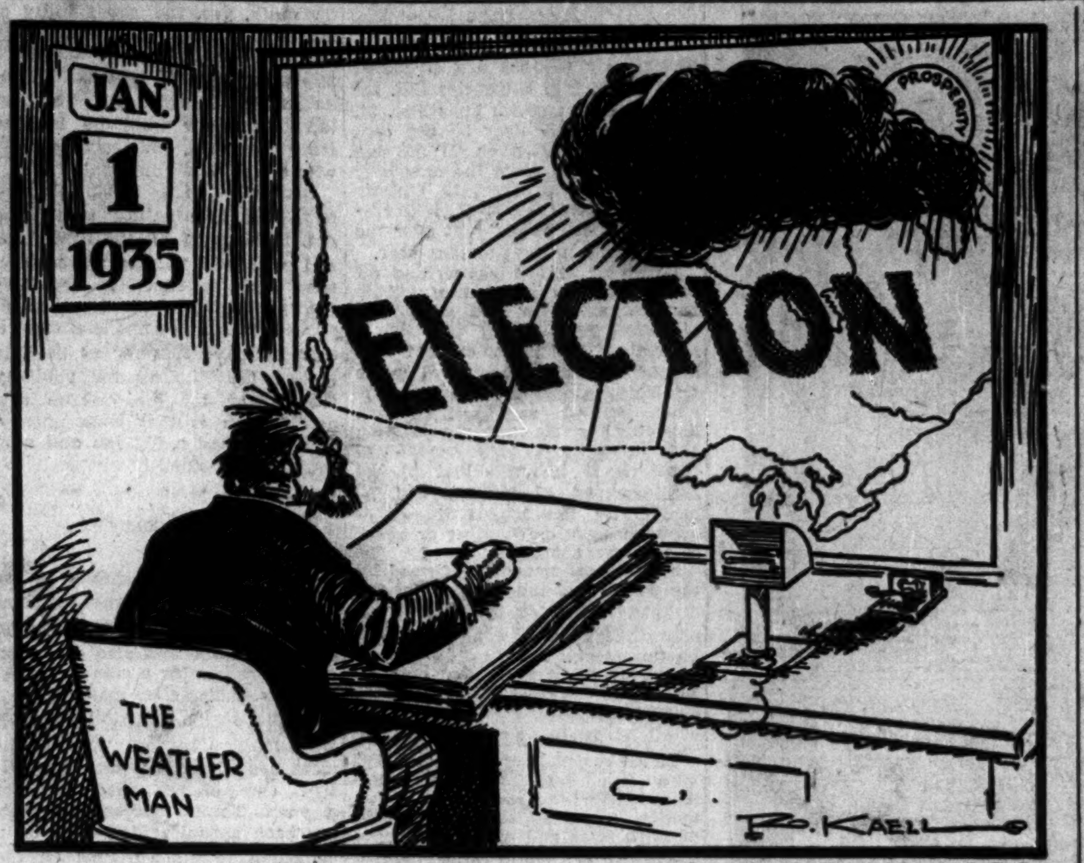
Inventory and Bank Loan

In the consolidated balance sheet of Canadian Canners as at Feb. 28, 1934, two main items were inventory, which stood at $4,787,000 as against $5,784,000 the previous year, and bank loans of $596,614 as compared with $1,856,123 in 1933. Both of these items in the forthcoming balance sheet, which should be available about the end of April, are expected to show sharp reductions. It is confidently expected, The Post is told, that barring an unforeseen development in consumer purchasing power, the inventory will be considerably lower and a good deal less than half of the $8,437,000 peak inventory reported at the end of the 1931 fiscal year.

Bank loans, it is understood, will be cut in half, or in the neighborhood of $275,000 as compared with $5,961,000 at the end of the 1933 fiscal year and the peak of $2,671,000 in 1931.

Increases Dividends

In keeping with the higher trend of current earnings, the company declared a quarterly dividend of 12½ cents per share on the second preferred payable Jan. 2, 1935, to shareholders of record Dec. 15, 1934, plus an extra bonus of 2½ cents per share. The previous rate was 7½ cents quarterly on this stock. Out of a net profit last year of $342,908, preferred dividends accounted for $233,088, while the $109,118 in second preferred dividends used all but $702 of the remainder. This year even after the increase in the dividend rate from 5 cents to 7½ cents per quarter in April, 1934, and the increase again this month, a surplus of upward of $150,000 is indicated based on the assumption of net earnings after taxes of around $1,000,000. Balance carried forward at the end of last year amounted to $394,233 which was about the same as a year ago but slightly less than half the average accumulated surplus in the years 1927-1931.



—Drawn for The Financial Post by R. Kaell.

WEATHER FORECAST FOR 1935: "Fair but with occasional storms and general high pressure over the whole country."

EARLY SPRING LIKELY DATE FOR ELECTION

Jubilee Celebrations in May Force Earlier Date

POLICIES APPROVED

From Our Own Correspondent

OTTAWA.—Dissolution of Parliament after a brief session, followed by a general election at the close of April are believed to be the main features of the government's programme for the immediate future.

A marked tendency on the part of Conservative newspapers, close to the ministry, to forecast an early election, is an indication that the main line of government strategy has been tentatively approved. The nearness of a possible general election will occasion surprise and April is not commonly regarded as a desirable month in which to carry on a campaign, not to speak of voting. But this is not, in reality, an insurmountable obstacle. While elections are usually held in the summer or early autumn months, the record indicates that appeals to the electorate have been made during the winter and spring seasons.

New Premier For London

The consideration which has caused the government to modify its plans is understood to be the Jubilee Celebration to be held at London next May. It had been supposed that this meeting was to be largely ceremonial and social in character and, for that reason, it was thought relatively unimportant if Canada were represented by a prime minister elected in 1930 or 1935.

It now appears, however, that very important questions will be discussed, at least informally, and policies to guide the Empire in matters of defence and in trade will be outlined. Under these circumstances it is believed Rt. Hon. R. B. Bennett is strongly inclined to the view that this country ought to be represented by a prime minister fresh from the country.

Liberals Challenge

If the competence of his ministry to act on Canada's behalf is not challenged in the forthcoming session of Parliament, it is quite probable that electoral plans will be changed. But the Opposition almost certainly will challenge the right of the government to continue in office.

The consensus of opinion is that Mr. Bennett, like his predecessor in 1930, will lay his cards on the table shortly after the session gets under way. Thereafter it will merely be necessary to vote supply and deal with the budget before the campaign will begin.

Electric Output At Record High In Past Month

Output of central electric stations in Canada reached a new high record in November at 1,953,464,000 kilowatt hours. The adjusted index number at 183.95 was also a new record, exceeding the previous peak attained in May, 1934, by 1.41 points.

		Nov. '34	—Change— From Prev. Period %	From Prev. Year %
Monthly:				
Electric output	M. kw.h	1,953,464	+7.2	+17.0
Auto. prod.	No.	1,697	—55.1	—25.9
Con. milk prod.	lb.	5,711,902	—34.4	—4.8
Cigarettes released	No.	435,078,600	—3.0	+16.3
Weekly:*				
Car loadings	No.	43,307	—0.1	+11.5
Cattle sales	No.	11,327	—12.0	+85.0
Hog sales	No.	27,961	+11.2	+9.1

*Weeks ended Dec. 15, 20 and 20 respectively.

Highlights of the week

Old Year and New

Records for 1934 and prospects for 1935 show improvement and have a tissue of optimism. The Post gives individual surveys:

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Changing Money

Banks have a number of new problems on their hands in changing the character and extent of note circulation. How it will be done. Page 4

Mine Promoters

Promotions of mines are necessary so that there will be new mines. The personal record is a key for investors. What to look for. Page 15

Nanaimo Man

George S. Pearson, Nanaimo wholesale grocer, was telling the B.C. legislature to cut expenses in 1928. Now he's devising social expenditures. Page 3

Communizing Farmers

Russian farmers are being collectivized more rapidly than some of them like. How it's being done. Page 8

Business Gains

Most of Canada's economic areas enjoyed improved business in November. The record in word and picture. Page 7

Funded Forever

There are difficulties in establishing a perpetual fixed endowment. Some of the devices that may be used. Page 8

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INDUSTRIALS, UTILITIES, ETC.

Avon River	5	Frost Steel	12
Bank of Toronto	16	General Steel	13
Bk. Can. Natle.	16	Imperial Oil	11
Bk. of Commerce	16	Man. Power	13
Bank of Canada	4	Medalta Pot.	13
Brazilian	1	Mar. Tel.	16
Can. Canners	1	Provincial Bk.	16
Can. Biscuit	16	Prof. Offices	5
Cockshutt	13	Paramount	1
Goodyear	2	Rogers-Maj.	13
Can. Hydro	2	Royal Bank	16
Can. Car	12	Shawinigan	13
Can. Gen. Elec.	13	Silverwood's	13
Can. Cement	13	St. Law. Flour	13
Can. Gen. Inv.	13	Steel of Can.	2
Dom. Tar	13	Twin City	2
Dom. Glass	5	Walker Brew.	2
East. Bakeries	2		

MINES AND OILS

Amity Copper	14	Mak Siccar	13
Algold	15	Magnet Lake	15
Big L. L.	14	N. A. Can. G.	15
Casey Contact	15	Nicola	15
Grange	15	Oklend	13
Greene-Stabell	14	Olga Gas	13
Grull Wihksne	15	Pickle Crow	15
God's Lake	13, 14	Richstrike	16
H'ning-Maloney	14	Swastika	13
Intl. Nickel	14	Sturgeon R.	14
Little L. L.	14	Vidette	14
Lamaque	14	Wayside	14
Lee Gold	16	Wendigo	14
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BRAZILIAN TR. PAYS OFF BONDS RIO JANEIRO 5'S

1934 Gross and Net Also Gain But 1935 Problems Important

TO SETTLE RATES

Brazilian Traction Light & Power Co. will enter 1935 with $25,000,000 less of bonded indebtedness against its subsidiaries. As stated by The Financial Post some months ago, the company has sufficient funds wherewith to pay in entirety the 30-year 5 per cent first mortgage bonds of the Rio de Janeiro Tramway, Light & Power Co. maturing on January 1. The money is ready for holders of $1,000 and $500 denominations at branches or correspondents of the Canadian Bank of Commerce in Toronto, New York City, London, England, whichever they elect, and also for holders of the $100 denomination at Toronto, London, Geneva and Brussels.

Brazilian Traction also enters 1935 with the knowledge that in 1934 gross and net earnings have been better than in the troubled times of 1933 and this even though it has been operating during a large part of this time at temporary rates for a number of its subsidiaries. Yet it regards these rates as too low and the comparison with 1933 when 48 cents a share was earned on the common stock is not regarded as a fair one. In better days it was getting $2 a share.

Brazilian Elections Going on

Brazilian's future also depends in great part on what the new federal and state governments will do under the new constitutions promulgated when the state and other elections are over. The government party is apparently returned, but Brazil is a big country, the distances very great, communication not too easy in the wildest parts, and it sometimes takes a month to get all the returns in.

Business is improving in Brazil, democratic government is being resumed, and there are some other good factors but freedom of exchange will have to come before investors will have entire confidence in bonds or stocks of companies which earn their money in Brazil.

Britishers, Americans, French, Belgians and Canadians alike, are also concerned about the abrogation of the gold clause in respect of engagements in Brazil. Brazilian has been prevented, along with other foreign companies, from charging rates that are adjusted automatically with the value of Brazilian milreis in gold currencies. It is therefore running now for a number of subsidiaries on a temporary rate structure which, it is claimed, is too low.

Drought Hits Brazilian Coffee

Because of the undoubtedly close relationship between coffee sales, coffee prices and coffee stocks on the one hand, and the firmness of Brazilian exchange on the other, it becomes very important to holders of common stock of Brazilian Traction Light and Power Co. and of bonds of its subsidiaries to have assurance that statistics regarding coffee stocks are accurate. A New York coffee house declares that a wrong impression is created in giving 14,069,000 bags as the total stock owned by the Brazilian National Coffee Council and by the banks. This does not include 4,361,000 bags in the interior, it is stated.

However, a long continued drought has had an unfavorable effect on the flowering of the trees which will produce the current year's crop. It is reported that this has caused a falling of buds. Some reports indicate a current crop estimate as low as 10,000,000 bags

INVESTORS ARE EXPECTING GAIN IN 1935

Active Bond Market Regarded as Prelude to Stock Market Interest

TRADE RECOVERING

Convalescence Progressing But Subject to Possible Checks from Exchange and Political Difficulties

Nineteen thirty-four has been a year of convalescence. Investors hope that 1935 will be one of continued recovery.

Despite various uncertainties Dun & Bradstreet's mercantile agency concludes from its close study of trade and sentiment in the United States that there may be "a business revival without parallel in modern commercial history for the abruptness of its rise and the intensity of its pursuance." Hitherto Canada's recovery, unspurred by N.R.A. codes or extra-governmental pressure, has more than kept pace with the United States percentage rise. It has had just as active Christmas trade in proportion to population and therefore the feeling is more general than last year that better times may be reached in 1935 and possibly afford an opportunity for still better things short of an "unparalleled business revival."

Bonds Lead Way

To investors the strongest element of hope for the future is the very active market in obligations of solvent governments. They expect it to spread to solvent municipalities and corporations and then spread into stocks with the result of stronger prices for stocks of best companies. Already there have been booms in gold stocks but a sign of better times is that the interest has been passing over to industrial securities

The culminating point of the disease which overtook world trade and prostrated it was in 1933. That year opened in an atmosphere of unrelieved gloom and only those people who had been saying for three years, "The darkest hour is just before the dawn," continued saying it, hoping that at last their optimism would be justified by events. They were right and 1934 opened with the sun rising behind clouds on what many hoped would prove to be a new day for the world. It has not risen high enough to awaken all the slumberers, to cause the whistles to sound their welcome summons again for all the unemployed but the noises of day are round about again.

Construction Prospects Up

Building has been at a high level in Great Britain and in many other countries. Only on this continent has it been in the doldrums. There is every prospect that in the United States it will have a quickening tempo in 1935 and the gradual improvement in Canada in 1934 bodes well for construction industries, makers of building materials and steel companies.

Higher carloadings give a hope of growing business for makers of cars and railroad equipment and have already provided some. Once the railroad question can be settled definitely in a way which has all the aspects of permanency there is reason to suppose that budgeting for adequate expenditures to make up for depreciation, obsolescence and changing needs will make this once more a prosperous department of Canadian industry. E. W. Beatty, president of Canadian Pacific Railway Co., told a representative of The Financial Post last summer that the Canadian Pacific Railway Company intends to have streamlined trains, whether steam or Diesel-driven, as soon as the present swift progress in this department has taken it entirely out of the experimental stage. There are still problems in air-conditioning that have to be solved satisfactorily but Canadians can expect this to be a development of the next few years.

Motor, Oils, Tires Gain

Automobiles, trucks and buses continue to improve and to hold the traffic which they have taken from the railroads. However, the economic limits of this type of competition are becoming more and more apparent and governments and companies on both sides are trying to approach an understanding of what must be done to make it easy for each to secure the traffic for which it is most suitable.

Motor car makers made a good recovery in 1934 and are entering 1935 with strong hopes that this gain will be carried still further. Ford of Canada's contribution in dividends and its aggressiveness in pushing sales have made themselves evident in the advancing value of stock.

Increase in motor car sales has tended to make confidence stronger in allied groups as well. For example, Imperial Oil, B. A. Oil, McColl-Frontenac, Supertest Pete, International Pete, Canadian Oil Co. have had renewed interest in 1934 and their 1934 statements will be closely scanned by those looking for an inkling as to probable developments in 1935.

Goodyear Tire & Rubber Co. also contributed to greater confidence by restoring common dividends to high

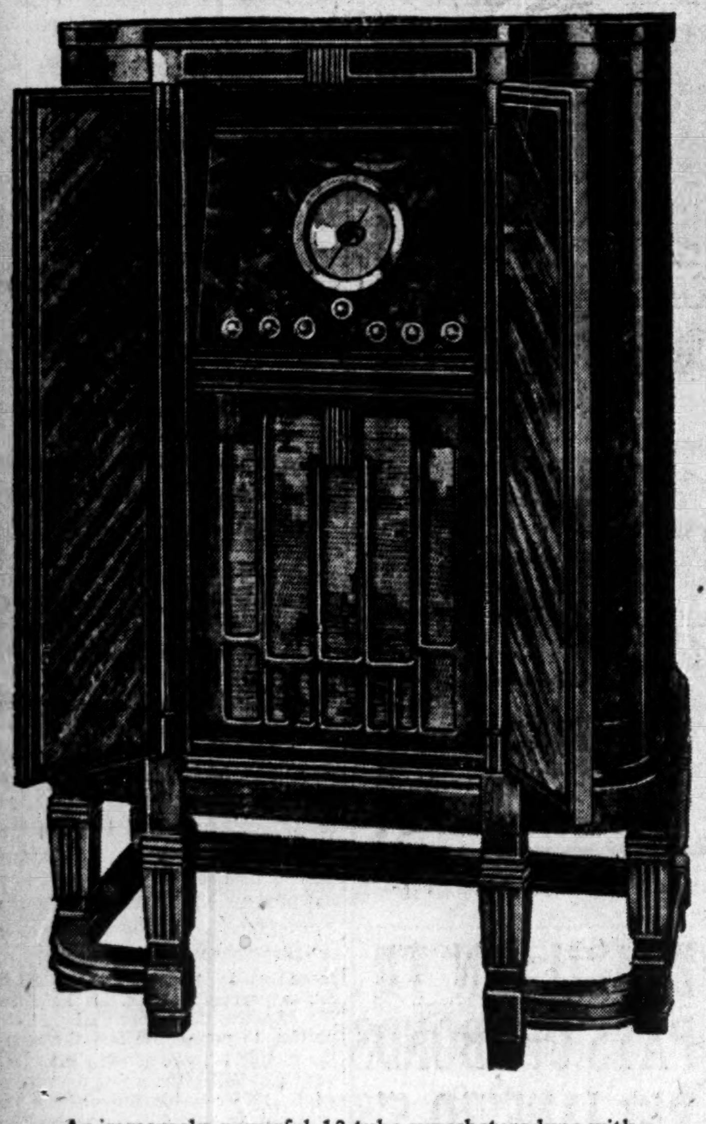
(Continued on page 2, col. 6)

Make Your New Year Resolution to

Hear the World

Gratify it with the

VICTOR No. 281



An immensely powerful 12-tube superheterodyne with a great list of major refinements and improvements introduced to provide brilliant performance on all wave bands.

Your 1935 will be richer in interest and entertainment with the Victor 281 in your home. Let the experts in our Radio Shop explain its merits to you.

D. P. Price **$245.00**

D.P. terms. Pay $25.00 now and the balance in 10 equal monthly payments of $22.00.

D.P. Price means that all charges are included, there is nothing to be added for D.P. terms.

Fifth Floor main store also Eaton's College St.

THE T. EATON Co LIMITED

CANADA BUD NET ESTIMATED $175,000 IN CURRENT YEAR

Since New Beverage Law Sales Up 65 Per Cent

MORE DRAUGHT BEER

Delayed Declaring Recent Dividend Until Results of Hotel Sale More Apparent

Net operating earnings of approximately $175,000 are estimated for Canada Bud Breweries Ltd. for the fiscal year which ends Dec. 31, 1934, or slightly over 50 per cent more than in 1933 when $115,000 was reported. Sales since the new beer laws came into effect in Ontario last July have shown an improvement of about 65 per cent over the same period in the previous year.

Last year $25,000 was written off in depreciation and almost $15,000 was set aside for bad debts and provision for income tax. It is understood that in the current year depreciation will be stepped up to something nearer the figure of 1931 when $65,000 was written off. Allowing for this extra depreciation and increases in the other two items, it is believed that in the neighborhood of $100,000 will be earned by the 150,000 shares of common stock outstanding or about 65 cents per share.

Such an estimate is confirmed by the decision of the directors of the company last week to pay a quarterly dividend of 15 cents per share on this stock. Canada Bud has no preferred stock or funded debt all net profits being available for the common stock.

Dividend Delay

To the shareholder of Canada Bud who has been waiting rather impatiently for some return on his money, especially since the dream of huge sales and profits following the return of beer to Ontario hotels last summer, it is understood that the company had three very definite reasons for not making a hasty dividend declaration.

First, was the fear that the increase in sale following the change in the law might not prove permanent. There was a big jump in the first few weeks but some of this was attributed to the novelty of legalized public drinking.

The brewers, apparently were not sure just what the permanent increase would be. In the case of Canada Bud, however, a check of the four months August-November, 1934 sales with the same period in the previous year showed a gain of approximately 65 per cent, The Financial Post is informed.

More Draught Beer

A second factor which led to caution on the part of this company's directors in declaring dividends earlier in the year was a possible new orientation in the proportion of bottled beer to that sold in barrels. Under the old system where the beverage was only obtainable at the government liquor stores or through brewery warehouses the bulk was sold in bottles for home consumption. With the hotels again entering the field draught beer sales were bound to increase.

While Canada Bud has been forced to extend its activities into the barrel beer trade, The Post is informed that profits on such sales under present conditions are comparatively small. Formerly over 90 per cent of the company sales were in bottled beer whereas at present it is understood that 20 to 25 per cent is in barrels. While it is not economical to ship barreled beer over 150 miles by rail, nevertheless under the keen competition of the present times longer shipments are said to take place.

Avert Price Wars

The third factor in the dividend delay was the fear of a price war among the brewing companies. In Ontario at least, it is understood that the provincial authorities are prepared to step in the instant that any price cutting starts. An incipient price war which threatened in the Windsor area a few weeks ago, was promptly squelched by E. G. Odette, head of the Ontario Liquor Control Board and his staff, it is stated, and leading brewers believe that danger from this source is over for the time being at least.

The forthcoming balance sheet of Canada Bud is not expected to show much change from that of a year ago. The cash position of approximately $15,000 at the end of 1933 will show an improvement, it is expected, but this will be offset by a similar increase in the bank loan which stood at $44,000 in the last report. Accounts receivable at $52,500 a year ago will be about the same, it is believed, as beer is sold on a cash basis

Steel of Canada Pays Extra Dividend

From Our Own Correspondent

MONTREAL.—Steel Co. of Canada's directors with the declaration of an extra dividend of 27½ cents has brought the total declarations on the common stock for 1934 up to $1.75 a share. This is the same rate as paid on the preferred shares, dividends on which have been met regularly during the depression period.

While no official statement has been issued by the management, it is generally understood that there has been an appreciable improvement in the volume of business handled by the company in the past year. At the same time the outlook for the coming year continues satisfactorily, with the result that the directors felt justified in placing the common stock back on its old dividend basis.

Canadian Hydro Corp. Creates Larger Board

From Our Own Correspondent

MONTREAL. — Shareholders of Canadian Hydro-Electric Corp. have confirmed the action of the board of directors in passing special by-law "F" providing for an increase in the number of directors of the corporation from seven to ten.

The by-law states that each director during his tenure of office shall either be a holder of at least one share of the capital stock of the company or shall be an officer or director of a corporation which is a shareholder of the company.

The Nation's Business

(Continued from page 1)

merchants who are in the running and of A. Neil McLean, president of Connors Bros. in Saint John. The Chamber was unable to find room for a mining man which is not liked by supporters of John E. Hammell, J. P. Watson and Sir Thomas Tait.

The Chamber slate has aroused a storm of criticism which evidences more than anything else the difficulty, yea, the impossibility of selecting seven men who can represent every interest in Canada and every part of Canada. Shareholders who vote the Chamber ticket "straight" will be backing some good men, and ignoring some who are splendid material.

Last week The Financial Post published information about the qualifications of all the candidates and will add to this information from time to time. It urges its readers to vote only for men of proved business or financial experience and avoid as far as possible casting their ballots for publicity seekers, or for men whose sole qualification is that once upon a time they had a big job and now need another one.

• • •

They Keep Money In Circulation

LORD RIDDELL speaks of an American editor who possesses "the art of appealing to the common man or woman and also of stating or misrepresenting a case in a most specious or attractive manner."

At this season of municipal elections many Canadian ward politicians are displaying similar qualities. One of the candidates for mayor in Toronto, George Ramsden, has been appealing for votes on a campaign to put surtaxes on the city's 125 millionaires. Being only a local politician he probably does not realize that these millionaires contribute from 50 per cent upwards of their incomes in municipal, provincial and federal taxation and that the businesses from which they derive their incomes are the chief contributors to the city's revenues.

The Chicago Daily News recently sent a reporter to Detroit to see what Henry Ford had done toward "distribution of wealth." It turned out that in thirty years Mr. Ford had paid in wages 3,233 million dollars. For materials he has paid out 6,832 million dollars, and it is estimated that at least 70 per cent of this item also was spent for labor. He has paid taxes amounting to 529 millions. Altogether in that period the Ford enterprise has distributed more than ten and one-half billion dollars received in payment for automobiles.

As the Edmonton Journal puts it:

"Mr. Ford and his family have made a large fortune while doing this, but the figures surely prove that such an organization prospers in proportion to the extent to which it keeps money moving."

• • •

Mr. McFarland's Red Herrings

JOHN I. McFARLAND has issued another statement on wheat. This time it is in the form of an attack on terminal elevators at the head of the Lakes, with an implication that they are more interested in earning storage on grain than in facilitating its movement into consumptive channels. Examination of available evidence does not justify the conclusion that criticism is called for, or that any blame for lack of export of Canadian wheat is likely to be transferred from the "stabilization" operations which have now been conducted on a vast scale during four years under Mr. McFarland's supervision on to the shoulders of others in the grain trade.

But the criticism reveals once more the anomalous position of Mr. McFarland, who is presented sometimes as manager of the selling agency of the western wheat pools and sometimes as manager of the Dominion Government wheat agency, although actually he appears to be free of responsibility to the wheat pools, to the Dominion Government or to anyone else.

In this case is he to be understood as attacking the wheat pools, which control far more storage space at the head of the lakes, store far more grain, and obtain far greater storage earnings as the result of market manipulation under government guarantees than anyone else? Were pool elevators not carrying their full share of grain and earning their full share of storage charges? Did the pools show any greater eagerness than anyone else to turn over to other interests the opportunity to make storage earnings on grain which is to be held for months yet on this continent? And if not, what is the relationship, anyway, between Mr. McFarland and the pools, that the general manager of their selling agency has to come out in the press to criticize the policy they are following?

If Mr. McFarland is right, and it would have been desirable for more wheat to have been moved out from the head of the lakes before the close of navigation, there is only one explanation. It is that the operations which have been conducted under his supervision and under government guarantees are working badly within Canada as outside, preventing the smooth functioning of the grain marketing machinery, as well as impeding the marketing of wheat.

Price Spreads Enquiry

Textile Groups Examined for Wage Rates and Profits — Find Expansion in Most Groups from 1930 to 1933

Wages and operating results in the textile industries were revealed before the Price Spreads Commission in the week beginning Dec. 17. Information obtained by the auditors suffered, however, both from lack of similar statistics on individual companies and groups, and from incompleteness. Thus, statistics on the woollen industry were compiled from the returns from 40 companies, while it was stated that there were 92 companies engaged in the industry in Canada. Reports were obtained from the larger companies, however.

Perhaps the feature of the evidence given on all textile industries was the steady growth since 1930 which was shown. In some cases, sales showed actual dollar volume gains, while in all groups, cotton, woollen, silk and knit goods, there was a gain in volume.

Cotton Industry

J. G. Glassco, commission auditor, first reviewed the cotton industry.

Hourly wages of all factory workers in the industry, excluding superintendents, were shown to have declined between 1933 and 1934, although volume was greater in the latter year and profit margins higher. Wages by provinces were:

	1934	1933
	cents per hr.	
Ontario	29.02	30.85
Quebec	25.49	28.14
Maritimes	30.64	34.98
Average	26.64	29.21

Profits Higher

The three largest companies, Dominion Textiles, Canadian Cottons, and Wabasso Cotton, had bigger sales and a higher percentage of gross profits in 1934 than 1933. Trading profit was 8.7 per cent in 1934, the highest since 1929. Wages were 24.5 per cent of sales, the smallest percentage in the period.

Most of the mills operate on a 55-hour week. On this basis, the average wage for adult males was $16 in 1934. Adult males made up 55 per cent of employees, adult females 31 per cent.

More complete coverage of figures relating to cotton companies in which there is investment interest will appear later in The Financial Post.

Silk Industry

Continuing with companies in the silk industry, Mr. Glassco reported that while sales of the 14 leading companies declined from $9,174,045 in 1929 to $7,382,510 in 1933, mill activity increased 39 per cent. During the period prices had dropped 43 per cent.

Sales and profits of the 14 companies were:

Sales and Profits of Silk Industry

	Sales	Gross profit on sales	Net profit after bond int.
	$	%	$
1933	7,382,510	21.8	640,095
1932	7,398,365	20.8	351,629
1931	7,831,595	21.2	259,884
1930	8,573,235	17.5	83,496
1929	9,174,045	23.5	764,094

Largest Companies Analyzed

Summary of the capitalization of the six largest silk companies showed: 2 companies have outstanding bonds and have paid interest throughout the period; 4 companies have preferred shares, 2 have maintained dividends, one has reduced and the fourth has never paid although profits earned; 2 companies have never paid common dividends, while the other four have either reduced or passed their dividends during the period.

Average wages for the industry in 1934 were: adult males 29.37 cents an hour; youths 16.61 cents; adult females 21.36 cents; girls 15.52 cents. There was little change from 1933. Employment in 1934 aggregated 443,000 hours as against 333,000 hours in 1933, however.

Douglas Hallam, secretary of the Silk Association of Canada, was questioned concerning wage rates, particularly the low wages allegedly paid by Belding-Corticelli Co. He was surprised and would like to study the schedules. He felt that there was some mistake.

Said silk industry obtained and needed high tariffs to compete with Japanese silk industry. Wages in Japan were about 18 cents a day, he thought.

Artificial Silk

J. G. Glassco continued with the artificial silk industry, consisting of Canadian Celanese and Courtaulds. Chief statistics given on these companies were:

Artificial Silk Manufacturers

		Canadian Celanese 1933	Courtaulds 1933
Location of mill:		Drummondville, P.Q.	Cornwall, Ont.
Sales	$	6,177,028	4,173,167
Gross profit (before deprec.)	$	2,320,961	1,382,499
Net profit (before income tax)	$	1,522,649	525,894
Employees (factory)	No.	1,757	1,370
Total wages (factory)	$	1,507,625	1,060,152
Aver. hourly wages	$	30.81	37.63
Aver. week	hrs.	52.5	50

No contravention of the Minimum Wage Act were found in either of these two mills. Working conditions were said to be excellent.

Brief On Other Groups

G. A. Adamson, commission auditor, continued with the woollen manufacturing, hosiery, specialty, carpet and rug, knit goods and thread groups. Forty companies of the 92 in the industry were surveyed. Although not representing the whole industry, the figures on these companies give a general idea of sales trends, wages, etc. Chief figures given were:

Forty Leading Woollen Manufacturers

		1933	1930
Sales	$	20,671,622	17,873,026
Production of cloth	yds.	13,000,000	5,100,000
Employees (factory)	No.	5,531	4,007
Wages	$	4,168,584	3,136,087
Gross profit on sales	%	20.5	15.5
Net profit	$	1,538,079	429,004
Aver. wage rate (per hr.)	c.	29.37	......
Aver. wage	$	14.98	......

Thirty-two Hosiery Companies

		1933	1930
Sales	$	12,863,000	14,563,000
Production	prs.	5,160,000	3,940,000
Employees (factory)	No.	2,838	2,378
Wages	$	2,119,981	2,083,248
Gross profit on sales	%	25.1	21.5
Net profit	$	597,068	547,364
Aver. wage rate (per hr.)	c.	32.16	......

Seven Manufacturers of Specialty Fabrics

		1933	1930
Sales	$	2,441,156	2,621,064
Employees (fact.)	No.	657	597
Wages	$	503,821	585,838
Gr. prof. on sales	%	17.7	20.9
Net profit	$	*40,555	154,936
Aver. wage rate (per hr.)	c.	30.60	....

*Loss.

Five Carpet and Rug Manufacturers

		1933	1930
Sales	$	1,815,520	4,439,917
Employees (fact.)	No.	625	962
Wages	$	601,705	1,014,066
Gross profit on sales	%	28.1	23.3
Net profit	$	60,670	321,928
Aver. wage rate (per hr.)	c.	36.28	....

Seventy-five Knit Goods Manufacturers

		1933	1930
Sales	$	29,968,967	31,768,829
Employees (fact.)	No.	7,153	7,175
Wages	$	4,966,610	5,769,512
Gross profit on sales	%	19.02	14.1
Net profit	$	665,313	*45,351
Aver. wage rate (per hr.)	c.	29.02	...

*Loss.

Twin City Net Higher Than Total for 1933

First 11 months of 1934 for Twin City Rapid Transit Co. showed gross earnings higher and operating expenses lower than for the same period in 1933. Result was a much higher net but a tax cost $200,000 higher reduced net income to $185,173 for the 11 months. This compares with a net loss of $71,295 for the same 11 months of 1933.

Unfortunately, however, the trend in the second and third quarters of the year was downward. The net income had been $256,681 for the first quarter of the year and $82,306 for the second quarter. There was a loss of $163,050 for the third quarter. The most that can be said for the fourth quarter is that it has improved the net by about $10,000 in the first two months.

INVESTORS ARE EXPECTING GAIN IN 1935

(Continued from page 1)

point of boom days and advancing its high liquid strength still further. The advance in motor car construction was one element in this advance but the company had maintained and enhanced its position in the industry throughout the depression in any case.

Farm Implement Sales Up

Massey-Harris Co. and Cockshutt Plow Co. statements will demonstrate how far the recovery in farm product prices enabled these companies to collect old bills, dispose of old inventory and increase staffs to make new machines required. The first company is known to have drawn entirely free from the banks. It is thus free in 1935 to consider its position to the bondholders and much will depend on the rate with which purchasing power of farmers rises. In 1934 that purchasing power rose to the highest point since 1930. The value of field crops for 1934 is estimated officially at $536,498,000, an increase of $112,901,600 over 1933 and wheat alone went up $31,000,000. This gain has been spread all over Canadian business but a lot of it comes to farm implement makers and suppliers because there has been a lot of depreciation since 1929 in machinery on Canadian farms. The increased value to the milk and dairy products which make up 30 per cent of total farm sales and to hogs and cattle sold has also helped generally.

Exchange Remains Important

Though nothing definite has been settled in the way of agreed-on stability, 1934 has been productive nevertheless of comparative steadiness in international exchange. So far as Empire countries are concerned, the preferential arrangements worked out at the Ottawa conference two years ago have caused a 54 per cent growth of trade in Imperial channels. The stability in principal exchanges has been another factor in encouraging world trade.

The world enters 1935 with at least a temporary lifting of war clouds which have been threatening Europe. Gold bloc countries other than Italy find their problems lessened except for the persistence of gold hoarding. At first that improvement may put some stress on sterling. As confidence grows on the Continent it is expected that more European money will be repatriated. That would make the franc and the dollar move against the pound. Until the final relations of these currencies have been established by the movement of trade and money and events, the British Government will not attempt to stabilize the pound. The pound is dear in dollars and not so dear in francs. United States currency moves are awaited by the British to help them determine the ultimate point of stabilization. An upward move further in primary products might go a long way to work out the eventual relation of these currencies. But the comparative equilibrium maintained of recent months is encouraging to business. Four-fifths of the world has been deprived of stable exchange in recent years and the evidence of some desire at international cooperation to get a basis fair to all is therefore very encouraging.

Beverages Rise and Fall

The beverage companies, whose stocks are listed in Canada, had in 1934 a year far ahead of 1933 in sales and earnings. End of prohibition in the United States on December 5, 1933, permitted Canadian distillers to increase their sales materially. Decision of the Ontario Government to extend sale of beer and wines to hotels and clubs on July 18, 1934, likewise increased sales markedly for breweries domiciled in Ontario and Quebec. Stocks of distillery companies, however, fell in 1934 to low levels compared with 1933 and 1934 highs. This was because increasing business was below anticipations and because the persistence of bootlegging, and failure of the United States Government to lower duties as an aid to fight bootlegging, make it possible that 1935 sales will not be much more.

Similarly brewery company sales have been hampered by inability of Ontario companies to advertise, by failure to complete as yet attempted mergers of some important companies and by a desire of investors to watch actual earnings for awhile.

Exposure of the fact that many operators were trying to exploit public credulity in their offerings of shares of new mining companies has caused a temporary setback in sales of stock except where names of directors or sellers carry confidence. Activity in senior golds has fallen as immediate expectation of a further revaluation of gold lessened and junior golds also lost some of their urgency. Base metals except for leading companies such as International Nickel, Consolidated Smelters and Noranda have not yet climbed out of their low levels but soon may be on their way. Silver interest is stimulated by the new silver exchange at Montreal.

Stocks Advance

All other stocks listed on Canadian stock exchanges advanced an average of 13 per cent. Industrial stocks alone were up 15 per cent, utility stocks dropped 3 per cent and stocks of foreign industrial companies listed in Canada went up 50 per cent. Foreign utility stocks fell 4 per cent. In every department of the industrials there was a gain except in beverages. Iron and steel, oil and textiles and clothing stocks were most marked in their advances. For these the outlook is still good. Milling prospects do not thrill the market at all as yet.

Pulp and paper stocks are still low in price though they have come back as volume of sales increased. They have lost the advantage of a big premium on United States money but the higher level of business is lifting demand and that may help as much eventually.

Stocks of Canadian companies running utilities in Brazil, Mexico, Spain, West Indies and South American countries still continue low because of exchange difficulties, radical and revolutionary activities in some countries and disturbed business. The greatest factors to help these would be an improvement of exchange in 1935, a re-realization in these countries of their need of foreign capital and the need therefore to treat it fairly when it comes.

Total issues listed on Toronto Stock Exchange on December 1 numbered 445 embracing 643,309,284 with a market valuation then of $3,661,857,470. This was an increase of 32,500,000 shares in six months but a decrease of nearly $50,000,000 in market valuation due mainly to beverages and golds.

Trade With U.S.

As Canada does normally its largest foreign business with the United States, the state of business in that country is of the utmost importance to it. It used to be said that Canada experienced the same conditions from four months to six months later. Events have modified that dictum to some extent but nevertheless both prosperity and depression in that country have been found to be "catching" in Canada.

The United States Christmas season has been the best since 1930. The actual volume of goods sold was the same as in 1929 and the dollar volume 16 per cent ahead of 1933.

Standard Statistics Co. of New York finds business in a position "to forge ahead" but still advises "tempered optimism." Inflation fears, it states, have been allayed for the present. It finds government spending, budget uncertainty, taxes and the threat of radical legislation uncertainties still to be reckoned with.

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MONTREAL PLANS CITY SALES TAX, RAISE REVENUES

Houde Proposals Modified But at Best Are Onerous

From Our Own Correspondent

MONTREAL—City of Montreal's tax proposals to cover a deficit exceeding $7,000,000 on current account, continued to be considered by the council more from a political rather than a business point of view.

The drastic proposals suggested by Mayor Houde, and as outlined in The Financial Post last week, have brought a storm of criticism. The manner in which the city affairs have been handled for several years past has resulted in wasteful extravagance and now that the citizens are called upon to pay the cost, more than one section of the city is seriously considering the advisability of petitioning for a commission form of government.

A number of the suggestions made by Mayor Houde in his tax proposal, which was drawn up after the plan of Thomas Bradshaw and associates was thrown overboard, have been modified or eliminated.

Income Tax Out

One proposal, which met with ill favor, was the suggestion of a straight tax on income of all people working and residing in the city of Montreal, and a tax of five per cent on income of all people working in Montreal but resident in the suburbs. This has been abandoned and also the proposed levy on tenants or landlords.

Sales Tax

In place of these two items it is now proposed a sales tax of 2 per cent on retail commercial sales in the Montreal district, with food and perhaps fuel to be exempt. The city of Montreal will do the collecting and divide pro rata among the municipalities affected. The new water tax is also approved from which revenue is estimated at over a million dollars.

There are changes in the business taxes on retail stores some to yield more than the original proposals and some less, but the total estimated yield $2,631,000 is only slightly more than that estimated from the original Houde proposals.

Proposals

Details of the new proposals with estimated revenue are as follows:

1. Public Utility Companies: Surtax for a certain number of years	$ 974,000
2. Business Tax: Sliding scale with minimum rate of 10 per cent of the annual value of the premises or part thereof occupied for business purposes	2,631,519
3. Water Tax: Increase to the extent of 7½ per cent of the rental value in all territories served by Montreal	1,100,000
4. Permits and Licenses: Increase and new special taxes (automobiles, etc.)	312,375
5. Tax on Advertising: Newspapers, magazines, radio, show-cards, posters, billboards, circulars, signs, etc., 5 per cent	500,000
6. Tax on Fire Insurance Companies: 5 per cent on the amount of premiums collected, with a minimum of $500	187,022
7. Sales Tax: 2 per cent on the amount of every retail commercial sale in the district of Montreal	3,000,000
	$8,704,916

The Provincial Bank of Canada

CONDENSED STATEMENT 30th NOVEMBER, 1934

ASSETS

Cash and due from Banks	$ 4,336,715.38	
Government, Municipal and other high grade Securities	19,734,074.01	
Call Loans	4,825,943.74	
Circulation Fund	192,400.00	
Immediately Available Assets		$ 29,089,133.13
Loans and Discounts		14,485,731.10
Bank Premises, Real Estate and Mortgages, etc		3,115,522.55
Liabilities of Customers under Letters of Credit as per contra		29,675.08
Other Assets		79,820.97
		$ 46,799,882.83

LIABILITIES

Capital	$ 4,000,000.00	
Reserve Fund	1,000,000.00	
Dividends declared	63,816.92	
Balance of Profit and Loss Account carried forward	285,740.83	
		$ 5,349,557.75
Deposit (Savings, Current, Correspondent Banks, etc.)		36,824,211.06
Advances under the Finance Act		600,000.00
Notes in circulation		3,984,386.50
Letters of Credit outstanding		29,675.08
Other Liabilities		12,052.44
		$ 46,799,882.83

INVESTORS PASS EAST. BAKERIES REORGANIZATION

Preferred Shareholders Get 3¼% Stock and Milling Shares

Reorganization of Eastern Bakeries Ltd., subsidiary of the recently revamped Maple Leaf Milling Co., was approved recently at a meeting of shareholders at Saint John. A new Eastern Bakeries company is to be formed with capital of 5,000 preferred shares of $100 each and 30,000 common shares of no par value.

Holders of $400,000 of preferred stock in the present Eastern Bakeries firm are to receive the same amount of new stock on which dividends of 3¼ per cent are guaranteed by Maple Leaf Milling Co. for the next 9½ years. In addition they are to receive 3½ class A preferred shares of Maple Leaf Milling Co. for each present preferred share of Eastern Bakeries.

Increase Common

The common stock of the present company is divided into 10,000 shares, and this is to be increased to 30,000 shares in the new company. Maple Leaf Milling Co. is to get 20,000 shares of the new stock in exchange for $200,000 of preferred shares of Eastern Bakeries which it holds. The remaining 10,000 of common shares are to go to holders of Bokeries' shares, one for one. Most of the latter will also go to Maple Leaf Milling Co.

Maple Leaf Milling Co. is also to get $100,000 of preferred shares in the new baking company in exchange for debts owed to the milling company. A balance sheet of Eastern Bakeries Ltd., as at June 30, 1934, published in connection with the reorganization, shows current assets of $25,224 and current liabilities of $35,671, of which $18,539 was owed to Maple Leaf Milling Co. An accumulated deficit of $131,494 is also shown, but this item and others may be altered materially by appropriations from the write-down of capital resulting from the reorganization. Goodwill is carried at $265,993 and plant, after depreciation, at $277,743, in total assets of $596,277.

Asbestos Shipments Up

Shipments of Canadian asbestos, mostly from Quebec Province, during the nine months ended September 30 amounted to 110,666 tons as compared with 99,972 tons in the similar period of last year.

Do You Need a Man?

UNIVERSITY GRADUATE (Commerce) Canadian, 29, single. Three years sales experience, desires to become connected with established firm. Excellent references from former employer. Box 60, The Financial Post, Toronto, Ont.

Goodyear Tire Will Not Redeem Preferred Yet

The Financial Post understands that the directorate of Goodyear Tire & Rubber Co. of Canada does not intend at this time to redeem the $7,247,300 of 7 per cent cumulative preferred of $100 par value. The financial community has long expected such a development because of the company's $10,000,000 of working capital and its liquid assets of about $7,000,000 shown at the end of 1933. It paid off the Goodyear Cotton Co. funded debt of $769,000 during 1934 and the preferred stock is the next in line.

Those who have been expecting this development point out that the company could, if it wished, borrow money at much less than the cost to it in dividends of this preferred stock and use part cash. In fact, dividends on preferred are about equal to $4 a share additional on the common stock less whatever interest the company has been getting from its present holdings of bonds and call loans.

The company would have to pay the full redemption price of 110 on the market and it is more than probable that the company has had a bid for its own stock of just under 110, say 109¾, through a great part of 1934. The market price stays stubbornly above that figure, however, and holders are by no means anxious to relinquish so good an investment. The company retains the preferred partly for that reason. It means a larger body of satisfied shareholders who are regarded as a real help to the company's sales. At 110 the saving would be only 6.36 per cent on this 7 per cent preferred.

The fact that the price stays around 110 and sometimes sells at premium is regarded by the company as enhancing its prestige. Sooner or later it will doubtless be redeemed but it may not be until shareholders have better opportunities for reinvesting. With operations far ahead of 1933 the company is able to make excellent use of its liquid position in savings in purchases of rubber, cotton and other materials at best periods.

Walkerville Brewery Appoints Gen. Manager

Walkerville Brewery, Ltd., announces the appointment of A. Irion as general manager to succeed Morris Radner. Mr. Irion had been president of British American Brewing Co. of Windsor in succession to his father from 1927 until control of the company was obtained by Brewing Corp. of Canada.

Morris Radner states that the vacancy caused by the death of E. T. Thistle, as secretary-treasurer, has not been filled.

Newfoundland Business Improves

First Year of Commission Government Sees Increased Earnings in Basic Industries

Special Correspondence

ST. JOHN'S, NFLD.—As Newfoundlanders take stock of their condition after ten months of government by Commission they realize they have much for which to give thanks.

The new Government has performed no miracles. Many of its policies have been the butt of much adverse criticism and there is disappointment because no announcement has been made of a definite long-range recovery plan. Nevertheless it has brought administrative efficiency and has created an atmosphere of confidence that was sorely needed.

Higher Customs Revenue

By virtue of the peculiar nature of Newfoundland business, revenue figures are not the reliable indication of the state of prosperity that they are in most countries. The steady increase of customs and general revenues during the late spring must be considered chiefly a measure of the extent to which confidence had been revived among the business community and principally among those who supply for the fishery. The fact, however, that this improvement in revenue collections has been maintained throughout the first five months of the current fiscal year which began on July 1, is a reflection of increased industrial earnings made possible by higher prices for fish and a general betterment of conditions in other industries.

In spite of the belief expressed by one of the English Commissioners that Newfoundland's recovery lies in the direction of the establishment of an independent peasantry, the fishery continues to be the most important factor in the Island's economic life. It is an uncertain enterprise which distributes its favors indiscriminately but it employs more than half the country's male population and it is extremely doubtful if it will ever be displaced from the premier position among Newfoundland industries.

No Accurate Figures

Strangely enough no serious effort has been made to collect accurate fishery statistics and this omission has not been remedied this year. There is, however, enough information available to make a satisfactory appraisal of the current year's operations.

Disregarding idle rumor and basing computations upon the year's exports, the fish now held in warehouses throughout the Island, and the statements of well-informed persons from all important fishing districts, it may be safely estimated that the production of codfish this year has been not less than 1,300,000 quintals or some 200,000 more than the 1933 catch. This increase in the catch and the increased prices for all grades of fish should bring about an improvement of at least $1,500,000 in fishermen's earnings.

Marketing Improved

Marketing has been better this year. Shipments for the first four months of the fishing season showed an increase of about 90,000 quintals over the same period of 1933. This increase was largely accounted for by substantial sales of salt-bulk fish to Canada and the United States. Sales to Italy, Greece, Porto Rico, Gibraltar, Malta and England were also better than in the previous year. A large quantity still remains to be marketed as a result of the increase in catch but exporters are confident that they will have little difficulty in clearing stocks before the first of next season's fish will be ready.

At the same time, marketing conditions have been made more difficult by import and exchange restrictions established in some of the principal consuming centres and by competition from subsidized French fish and the national fish of such great customer countries as Spain and Portugal. The French bounties are absurdly high. Early in the year a Greek buyer was able to purchase fish at St. Pierre for 60 francs upon which he received, by applying for the bounty, a rebate of 50 francs. It was naturally impossible for Newfoundland fishermen to compete with a price which was equivalent to 70 cents per quintal for salt-bulk fish but this situation was eased recently when Greece denounced her trade treaty with France.

The Spanish quota system is further complicated by restrictions on the exportation of exchange and Portugal has followed the Spanish example to the extent of placing fish imports on a quota basis of which Norway has been given 40 per cent. Sales to Brazil have declined in recent years chiefly because of high import duties and the great difficulty in securing foreign exchange. In spite of these obstacles to fishery progress it is confidently expected that supplying next season will be on almost the same scale as this year and a substantial increase in shipbuilding, partly brought about by Government advances to fishermen, makes a larger catch extremely probable.

Suppliers do not anticipate much benefit from the new tariff although this was announced as a stepping stone toward reducing production costs. Certain articles of fishery supply such as rubber boots, cordage, sail-duck, engines, oil-skins, and flour have either been placed on the free list or have suffered a substantial reduction in taxation but against these advantages is set the fact that the rebate of 5 cents a gallon on gasoline used by fishermen has been abolished and an additional tax of 2 cents placed upon it. (In the case of fishermen operating in the peninsula of Avalon the increase is 4 cents a gallon.)

High Gasoline Tax

The total tax on gasoline is now 13 cents a gallon which is considered inordinately high. Since it is doubtful if the average fisherman earns more than $200 a season while, in the case of shoremen, gasoline consumption often runs as high as 200 gallons, some suppliers estimate that the net effect of the new tariff will be to increase production costs.

Minor fisheries show little improvement over 1933. The production of fresh salmon was very little better and amounted to about 3,000,000 pounds, most of which was marketed in England. There is an increasing demand in this market for both round and dressed salmon from Newfoundland. An advance of one cent a pound in the price paid the fishermen was the most noticeable improvement in this growing industry.

The herring fishery, apart from the demand for bait purposes, was about the same as in 1933 but the organization of a special Board of Control, supported by legislation, is expected to bring about better conditions in the Scotch Cure industry next season. Production quotas will be applied, advances will be made to packers, and the herring will be marketed under a pooling system. Reports indicate that this has had the effect of alarming New York buyers and of inciting them to offer higher prices in order to assure themselves of supplies. The enterprising firm of Job Bros. & Company, now a subsidiary of Hudson's Bay Company, has embarked upon an experiment involving the shipment of fresh herring to New York. The company's factory ship "Blue Peter" has been dispatched to Fortune Bay to collect a full cargo of herring and hopeful developments are expected from this new enterprise.

The most important development of the year, apart from the fishery, has been the increased activity in the logging industry. Here again it is impossible to secure satisfactory statistical information of the value of the industry in wages but it is safe to assume that the Government's policy of permitting the export of pulp wood and the recent establishment, by the newsprint companies operating in the Island, of a minimum net wage of $25 a month, will add well over $500,000 to earning power during the present fiscal year. Higher wages are being paid by the International Paper Company to the mill workers at Corner Brook where business has been thriving throughout the year.

More Loggers Engaged

The winter of 1935 will see more substantial employment of loggers than for many years past as a result of contracts placed for both pulp wood and pit props for export and the first permanent logging camp has been established on the Labrador coast in which 150 men and their families will be settled this winter.

There have been no outstanding mining developments in 1934. The great lead-zinc mine at Buchans has been operating at about normal capacity and some improvement has been observed at the Bell Island iron mines. Efforts to find a market for Newfoundland iron ore in England have so far failed to materialize. It is understood that sales to England iron-masters are impeded only by the inability of Dosco to meet the price of competing suppliers in Spain and Scandinavia and there is some hope that this obstacle may yet be overcome.

Mining Developments

During the summer the Government geologist, Dr. Snelgrove, made an examination of reputed gold deposits but no information has been released and it is not thought that any startling discoveries were made. The assistant geologist made an examination of reported high-yielding slate in the neighborhood of Rose Blanche on the South West Coast and while his report was not optimistic, it was suggested that further investigation might be worth while. While it may be doubtful if Newfoundland has gold deposits worth development, there is not the least doubt of the plentifulness of certain base metals which may offer excellent prospects of profitable development once world prices return to normal. In the course of time the Government hope to make an exhaustive geological survey which may lead to more substantial mineral development in the future.

Hope For Agriculture

So far as the Commission of Government is concerned, the future of the Island is bound up very largely in agricultural progress. The Government envisions a time when about 10,000 Newfoundland families will be established on the land, growing their own food and clothing themselves with cloth woven from the wool of their own sheep. In order to relieve unemployment and experiment with land settlement as a means to independence for the people, the Government has established an agricultural colony in which 130 families are now residing. Everything is provided for them and after a few years they will be expected to do a certain amount of community work to repay the cost of settling and maintaining them and sufficient time will also be allotted for the working of their own homesteads.

Many Newfoundlanders are sceptical of this plan—among other reasons because they doubt the average fisherman's or laborer's adaptability to the soil—but they are willing to be sparing of their criticism and to give the enterprise a chance to prove itself. Sir John Hope Simpson, the 67-year-old but extremely energetic Commissioner for Natural Resources, has foretold the establishment of another five land colonies in the near future.

To encourage general farming, a Director of Agriculture has been engaged for a three-year period and will be charged with the task of keeping an expert eye upon the operation of the land colonies. He will also have a corps of instructors under him who will travel the country, lecturing to the people on methods of improving the yield of their present holdings or upon the need of acquiring allotments if they do not already possess them. Six young Newfoundlanders are now at Truro Agricultural College, taking a two-year course at Government expense in order that they may be equipped to take up the work of travelling instructors.

So much for the industrial situation. From an administrative standpoint much progress has been made. The Civil Service has been completely reorganized and graded, the Customs Department has had a thorough overhauling and many of the loopholes, that in other times caused considerable loss of revenue, have been stopped. Customs revenue has shown a steady improvement throughout the present calendar year and it is believed that the estimated deficit of $2,000,000, which the British Government would be required to pay, will be greatly reduced if not completely eliminated.

The net gain in revenue to November 30 was more than $950,000 compared with the preceding year and showed an even more substantial improvement compared with the Finance Commissioner's budget estimates. Such enterprises as the shipbuilding and land colony scheme are being financed out of a loan made by the Colonial Development Fund, bearing interest at 3 per cent, and maturing in 20 years. The amount advanced by this fund for the current fiscal year is $1,008,000.

Tariff Situation

The tariff has been previously mentioned. It is not expected that it will cost anything like the $650,000 computed at the time the new schedule was announced. The reductions in a number of items may be more than offset by increased importations and in any case, the reductions announced in the basic rates on a large number of commodities, upon which the duty is computed on an ad valorem basis, will be compensated for by the application of the full duty to coverings, packing charges, cartage and inland freight.

A surprising feature of the tariff was the failure of the Government to increase the United Kingdom preferences. As a matter of fact, the preferences granted on some items were abolished. It must be realized, however, that this is an experimental tariff which will be given a full year's trial

Flour From England

The placing of flour on the free list is not expected to benefit Canadian mills to any extent. These mills have lost about $250,000 business through the purchase in England of 50,000 barrels of flour for government relief distribution and it is believed that further purchases may be contemplated although no official confirmation of this is obtainable.

In concluding this summary of the first year of Commission Government it may be safely said that there has been notable improvement in the industrial situation although the country is far from emerging from the woods of depression. It must be remembered, however, that Newfoundland can come back quicker than most countries because her population is small and her needs, on the average, are less than those of most other places. Much depends upon the fishery situation and the extent to which recovery will take place in the next year or two will be measured chiefly by increased production of fish and the ability of the principal markets to consume a greater quantity at higher prices.

New Executive

GORDON C. LINDSAY

Who has been appointed executive assistant to the management of The Toronto General Trusts Corp. Mr. Lindsay practised law in Winnipeg before joining Rowell, Reid, Wright & McMillan at Toronto in 1928.

Nanaimo Wholesale Grocer Behind B. C.'s Labor Laws

Former Critic of Government Expenditures Sponsors Provincial Health Insurance Scheme

By CHARLES L. SHAW

Big, blustering Bill Sloan had always been a power in British Columbia politics—ever since the day he first became a worker in the Liberal ranks at a time so distant now that few of the present generation can recall it. And when Bill Sloan died it was felt that his home town riding, Nanaimo, would have to wait a long, long time before it would have another political figure of importance to take his place.

This impression continued after Nanaimo Liberals nominated and elected a little bald-headed wholesale grocer named George S. Pearson, virtually unknown outside his own bailiwick.

Even in the legislature, when Mr. Pearson took his seat for the first time, veteran members smiled to themselves and formed mental comparisons between the newcomer and old Bill Sloan, noting the contrast with good humor, but noting it just the same.

Predicts Depression

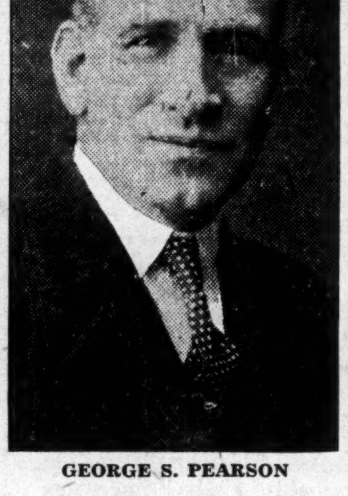
When Mr. Pearson, untried in politics, warned the legislature to prepare for the day of reckoning it was just too funny. Mr. Pearson said it was all very well to go on spending money on public works on a vast scale without a thought for tomorrow; but he told the legislature very solemnly that good times couldn't be expected to last forever; that whatever went up must eventually come down, and that things had been going up so rapidly and for such a long time that it was time people in positions of public trust should give some serious thought to the situation.

But Mr. Pearson was sounding his tocsin in 1928, and in 1928 no one seemed in the mood for anything but extravagant optimism. Government reports continued to indicate increasing production in all the province's basic industries. Consumption of liquor was steadily going up, bringing in additional profits for the government. Incomes were still soaring and swelling the tax revenues. More automobiles were on the road every passing year, meaning more levies from that source. In fact, everything was rosy, and here was this unknown little man from Nanaimo talking blue ruin.

Stuck To His Guns

But contempt and criticism did not sway Mr. Pearson from his cause. He was in opposition and as such soon became one of the most active critics of the Tolmie administration. He was no orator, but there was always a lot of common sense in what he said, and usually he managed to say it in picturesque and forceful language. After his first few speeches in the House, members of the legislature decided that perhaps it was not particularly good policy to treat Mr. Pearson lightly. Some of the things he said just couldn't be safely ignored. People outside the house were beginning to quote Mr. Pearson's speeches and ask how about it.

Eventually, Premier Tolmie and his ministers had to answer as well as they could, and their answers never seemed to satisfy Mr. Pearson. He became a thoroughly menacing figure—to the government, which was Tory; but a tower of strength to the opposition, which was Liberal. Those who remembered Bill Sloan and had been inclined to treat his successor with mild contempt changed their minds. The old coal town of Nanaimo had made good, after all. It had sent into politics a man worthy of its best traditions.



GEORGE S. PEARSON

Elevation No Surprise

Nanaimo, because of its coal mines which have been in operation since the days of the first settlers, is largely a labor town. Mr. Pearson, who was born in Bromley, Staffordshire, 45 years ago and came to B. C. when he was nine, grew up with Nanaimo and the town's problems—the age-old issues between capital and labor. He had aired his views on this subject time and again while in opposition, and so when the Tolmie Government eventually went down to defeat and Hon. T. Dufferin Pattullo began to pick his cabinet it came as a surprise to no one when the Nanaimo wholesale grocer was given the portfolio of labor and of mines.

Those who regarded Mr. Pearson's appointment with misgiving had their fears allayed when he announced at the outset of his administration that he was not going to attempt anything savoring of radicalism.

However, those who know Mr. Pearson intimately say he does lean toward Socialism and British Columbians soon found out that while Mr. Pearson might not be a radical, he was indeed a reformer. He soon started the government moving toward a programme of advanced social legislation.

British Columbia was high among the provinces in social legislation even before Mr. Pearson took office. Mothers' pensions, old age pensions, and workmen's compensation were already provided for. Now, Mr. Pearson is not only jacking up these laws to make them conform with what he conceives to be the changing conditions of the new era, but he is going ahead with a plan of health insurance which probably will take effect in British Columbia next year. Thus the man who once railed at British Columbia's extravagant plans of new ways to increase the provincial taxes and debts.

Mr. Pearson accepts dictation from no one in the administration of labor affairs. When his chief, Premier Pattullo suggested publicly the other day that perhaps British Columbia would surrender control over labor to the federal government in exchange for better terms in other directions. Mr. Pearson promptly intimated that possibly Mr. Pattullo had spoken too hastily; that British Columbia was not going to put itself into a position where its labor laws would be controlled by conditions in, say, Quebec, where living costs were lower.

Plans Rigid Control

However, while Mr. Pearson has given a lot of attention to labor affairs, he has not neglected the mines department, and from the beginning of his administration he has made it clear that he will not tolerate laxity or haphazard control of the mining industry.

Recently, before a meeting of mining men in the Vancouver Board of Trade, Mr. Pearson recalled that last summer there had been "a regrettable incident" in his department, when he questioned the accuracy of a government report of a mine. He intimated that there would be no more such incidents. "I have made it very clear that our reports must clearly indicate what we know to be the facts and not what someone else knows. People should be educated to distinguish between investing money in order to develop a property and gambling in mining stocks after they are on the stock exchange."

"From the standpoint of the mining man some of our reports in the past may have been all right," he said. "But from the standpoint of the greenhorn investor they were misleading."

Not Satisfied

Mr. Pearson is not yet satisfied that the mines department is 100 per cent efficient. He has called a conference of all officials of his department to discuss a new policy, which will be based on the fundamental principle that the government's interest in mining, as in any other industry, is in the benefits and prosperity that it brings to the people of the province.

In greater detail, Mr. Pearson regards the functions of his departments as the following:

1. To encourage men with some knowledge to go into the hills to search for and uncover minerals.

2. To construct trails to locations where men have discovered reasonable prospects in cases where these men have not the funds to transport machinery to the site.

3. To place in the hands of people desirous of investing information as accurate as possible to the end of assuring prospective investors whether or not they have a reasonable chance of success.

4. To educate the public to the difference between investing in promotion stock and in buying shares on the exchange.

Still Young Man

Mr. Pearson feels that he holds the confidence of mining men, in spite of all that may have been said concerning his sympathies toward the "outsider," and he never misses an opportunity to praise the mining operators for their co-operation and their sense of fairness in maintaining wages throughout the depression.

One of Mr. Pearson's chief regrets is that in his own community the mining industry has failed to keep pace with the procession. Coal is still one of the darkest spots in British Columbia's industrial picture. Just how to remove the blot is one of Mr. Pearson's most exasperating problems. If he succeeds, that one accomplishment will mark him as little short of a miracle man. The outlook is frankly not encouraging, but Mr. Pearson reports progress. He is 46.

GERRY G. McGEER MONEY MESSIAH IS MAYOR-ELECT

Vancouver Picks Credit Reformer; Awaits Programme

From Our Own Correspondent

VANCOUVER.—Once again Gerry McGeer, monetary messiah of the West, has climbed into the headlines, this time as mayor-elect of Vancouver. People of this city are wondering what his programme will be, and this curiosity is shared by a good many others in Canada who have tried during the last few years to analyze the significance of McGeer's political rise.

The ordinary duties of the mayoralty will not be sufficient to occupy all Mr. McGeer's time. He made that very clear early in the campaign and when it was over—he was given a record breaking majority of more than 25,000 votes over the veteran campaigner, Louis D. Taylor—he announced that he regarded his victory as symbolic of a demand for national credit reform.

Vancouver Puzzled

This announcement puzzles Vancouver to some extent. While Mr. McGeer devoted a considerable part of his campaign speeches to a discussion of national credit and seemed to win considerable support for his theories, to the man in the street it was obvious that McGeer was elected not so much because he advocated a new deal for national credit, which after all is a little beyond the scope of municipal politics, but because the electors were rather tired of the long regime of the septuagenarian Taylor and liked the idea of an aggressive, forceful young personality as civic leader for a change.

Shudders Predicted

Whenever McGeer appealed for "a majority that would cause shudders in St. James Street, Montreal," he invariably won an ovation, but while he got the biggest majority in the city's annals the banking fraternity does not appear to be worried, partly because as mayor of Vancouver McGeer will not be in a position to do much more than he has already done, as member of the B. C. legislature, toward economic reform.

Federal Ambitions

However, Mr. McGeer believes that the prestige of mayoralty of Canada's third largest city will strengthen his educational campaign. There is little doubt that McGeer regards the mayoralty chiefly as a stepping stone to the federal sphere. Months ago he announced that he would be a candidate for a Vancouver seat in the next federal election, and the present tenure of the mayor's office should not interfere with that. An indication of how he intends to further his national programme, however, was given on the eve of his election as mayor when he announced that he would make another tour of Canada, preaching the gospel of a new deal in money matters. He proposes a determined fight for reduction in interest charges for one thing.

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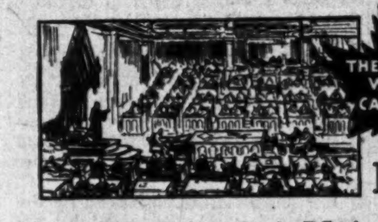

BEGINNING WHEN CANADA BEGAN

ON June 8, 1866, the year this Company was formed, the Legislature of Canada, then consisting of Upper and Lower Canada, met for the first time at Ottawa. One year later the Dominion of Canada came formally into existence.

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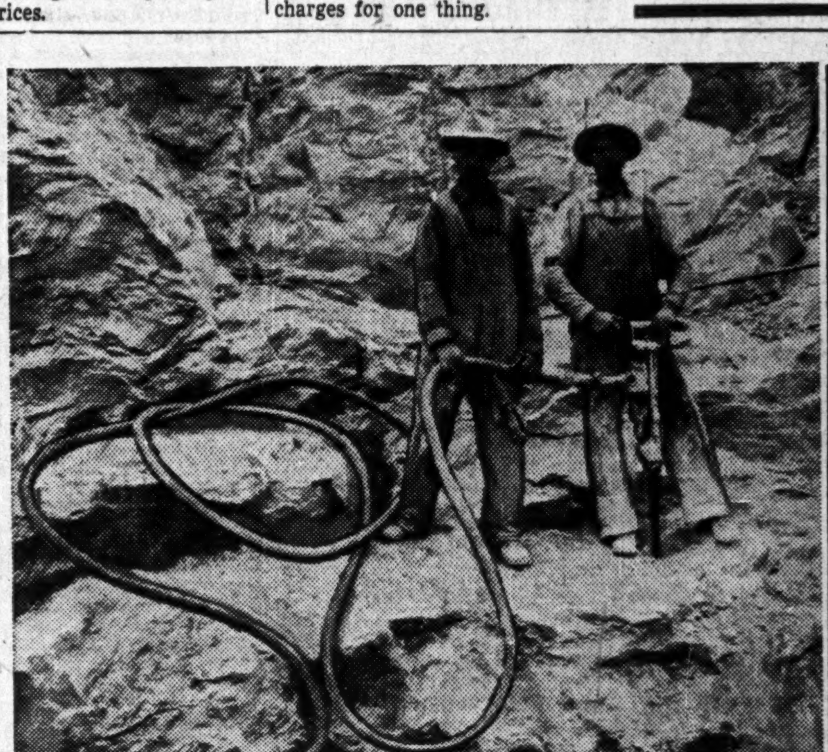

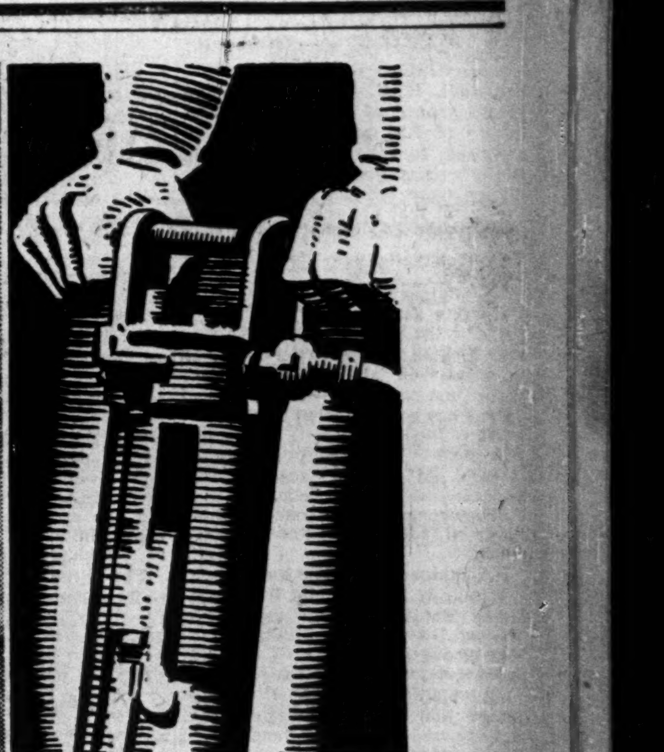

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Public Utility News

Power Utilities' Growth Finds Little Reflection In Market Value of Stocks

Stock Market Values of Leading Utility Securities Show Virtually No Net Change in 1934

PUBLIC RELATIONS PARAMOUNT

Utility Situation in States and Agitation in Quebec Cause Nervousness — Operations and Revenues Show Up Well for 1934 Compared With Previous Year

From Our Own Correspondent

MONTREAL.—Holders of power stocks came through 1934 with the market value of their holdings practically unchanged from a year ago, despite the fact that from an operating and revenue point of view progress was made. The market did not reflect the improvement along those lines, rather was it sensitive to attacks on public utilities in the United States, the greater domestic interest in rates and the appointment of the Lapointe Commission to enquiry into the Quebec electricity situation.

An investor buying stocks of eight of the principal operating companies a year ago this month would not be able today to point to any capital appreciation to speak of.

If the two leading utility holding companies' stocks were included in the purchases, the showing would have been much better, as one recorded a gain greater than all the other stocks put together.

That more or less all of the power stocks were held down in the past year is apparent by taking the two most popular issues, judged by the volume of trading, which collectively registered a loss.

Losses Offset Gains

Following is a list of eight of the principal operating company stocks and of two holding companies' stocks showing the market value of their common stocks on December 18, 1933 and December 15, 1934:

	Dec. 18, 1933	Dec. 15, 1934
B. C. Power, A	22	27½
B. C. Power, B	4	4¼
Calgary Power	120	117
Canada Northern	16	18
Canadian Hydro*	54	72½
Montreal Power	33¼	30⅝
Ottawa Power	80	80
Power Corp.	7⅞	7¾
Shawinigan	17	15⅞
Southern Canada	11½	11¾
Winnipeg Electric	1½	2⅛

*Preferred.

Operators Made Progress

Despite the fact that market values have shown little or no appreciation in the past twelve months, the companies have, generally speaking, been able to report progress.

On the west coast, British Columbia Power Corp. has held its own. While taxes have been rather an onerous burden for this company, the areas served have been fairly prosperous and active over the last twelve months, with the result there has been a fair demand for the company's services.

During the five months of the company's fiscal year ended November, 1934, B. C. Power reported a gross income of $5,285,656, an increase of 2.37 per cent over that recorded for the same period of the previous year. Operating expenses were reduced slightly, with the result that net operating income at $1,715,287 was $130,183 more than for the five months ended November, 1933.

Calgary Power Stable

Coming farther east to Calgary, there is little to report. Operations and income of Calgary Power Co. have been on fairly stable basis for some time past. While it is true that output has been affected by the lowering of business activity in the last five years, the company, through savings, etc., has been able to maintain net earnings at a relatively high level, or more than sufficient to cover dividends on the common stock.

Winnipeg Electric Situation

Winnipeg Electric and its subsidiaries, Manitoba Power and Northwestern Power, are still in an uncertain position as details of the proposed reorganization plan have not been completed, though it is expected that an announcement will be forthcoming shortly after the turn of the year.

This company acquired heavy obligations through its subsidiaries and with the failure of the territory served to grow in the manner anticipated, became unable to meet its charges. First to go was the Northwestern Power Co. Then the parent company defaulted on some of its own securities.

Expect Plan Shortly

For many months past, committees of the three companies have been working on a plan of reorganization which would consolidate all operations into one unit. There are many problems to be ironed out, but, as already mentioned, the groundwork has been laid and with legal obstacles overcome, the plan will be presented to the security holders for consideration.

Meanwhile Winnipeg Electric Co. has a first mortgage bond issue of over $3,000,000 falling due on January 2. It is unlikely that the company will be able to take care of this obligation on the due date. Expectations are that the bondholders will be asked to defer taking action until such time as the reorganization plan is complete and arrangements made for the refinancing of the issue, or the acquisition of the bonds by a group which will hold them while the plan is being worked out.

Canada Northern Expands

Canada Northern Power Corp., a subsidiary of Power Corp. of Canada, has been one of the bright spots in the Canadian power utility field in the past year. Not only has this company been able to report a substantial increase in power sales and number of customers, but it has consistently reported gains in earnings and increased the dividend on the common stock.

Gold mining operations in Northern Ontario and Northern Quebec have created an increasing demand for power, while the growth of communities in the territory served had a favorable effect on the domestic power load.

The expansion experienced by the company is well illustrated by the interim reports on earnings. For the eleven months ended November, 1934, Canada Northern gross operating income was $3,791,463, or 13.11 per cent more than in the same period of the previous year. After taking care of operating expenses, net income totalled $2,494,653, as against $2,345,441 in 1933, a gain of 6.36 per cent.

Canadian Hydro Stronger

Turning to the Quebec field, Canadian Hydro-Electric Corp., controlling Gatineau Power and other properties, has experienced a maintenance of earnings. For some time past this company's preferred stock, the only issue in the hands of the public, has been selling at a heavy discount, despite the fact that the dividend is earned and paid regularly. The reason for the low price of the stock has been due to the association of the company with the International Paper enterprises. The latter have been doing somewhat better in the past year, with the result that Canadian Hydro first preferred stock has scored a fairly substantial appreciation in value.

As regards the dividend, the company's interim statements show that this charge is covered by a wide margin. Judging by reports for the first three quarters of the year, the full returns for 1934 will show an income of more than $18 a share on the first preferred, or three times the dividend requirements.

Power Corp. Recovering

The other leading utility holding company, Power Corp. of Canada, has strengthened its position during the past year. Considerably more headway will have to be made before the company is back to where it was in 1928 and 1929. The company has experienced heavy losses on some of its investments. While a few have come back, much room remains for improvement. Earnings have been sufficient to take care of the senior charges on the funded debt and preferred stocks. It does not appear that there will be much available on the common stock during the current fiscal year which ended June 30, 1935.

Quebec Operators Affected

The three large power operators in the Quebec-Shawinigan, Southern Canada and Montreal Power—have been affected by a variety of conditions over the past twelve months. From an operating point of view, each of the companies has been able to report from fair to substantial progress. The utility situation in the province has not been as good as it might be, due to agitation for municipalization and the charges that the privately owned power companies have been charging excessive rates for domestic power.

These charges resulted in the provincial government setting up a commission under the chairmanship of Hon. E. Lapointe to examine into the situation. Evidence was presented by individuals, while each company submitted elaborate data in defense. The general impression was that the operators came off best, though it is unknown at this time what attitude the commission will take in its report to the government. Expectations are that the report, generally speaking, will be favorable to private initiative in the development of the province's water power resources.

This agitation, mainly from a few individuals, resulted in the power companies making substantial concessions to domestic power users. Shawinigan, Quebec Power, Southern Canada and Montreal all put into effect, or are putting into effect reduced rates. While these rates will cost the companies a substantial sum, it is not expected that the loss in revenue will affect dividends or impair the financial position of the operators. Some of these reductions are regarded as overdue. Others would have come in the course of normal events, but were speeded up by the agitation for lower rates.

Shawinigan Sales at Record

Shawinigan Water and Power Co. has done much to strengthen its position in the past year. Power sales have been at a record level and earnings are expected to be on a larger basis. There is little doubt but that the company will be able to cover the dividend on its common stock, while the balance added to surplus will give the company a satisfactory cash position.

Montreal Power Progresses

During the first eleven months Montreal Light, Heat and Power's electricity output was nine per cent greater than for the same period in 1933. Gas production advanced by 1.04 per cent. In both these major divisions the trend of consumption of late has been encouraging, and final figures for the year are expected to be well ahead of 1933.

While no figures have been issued by the management as to the trend of earnings, reports on operations, etc., would indicate that share earnings on the common stock will be as great, if not greater, than in 1933. This means that the current dividend of $1.50 a share will be covered by a possible margin of 50 cents.

Southern Canada's Relations

Southern Canada Power's financial statement for the year ended September 30, 1934, showed a modest increase in common stock earnings, amounting to 96 cents a share as against dividend payments of 80 cents.

This company has had to contend with rather difficult public relations in the St. Hyacinthe area. The town of the same name has installed a municipal power plant. Rates have been reduced to meet the situation here and elsewhere.

All in all the power utilities in Canada have been able to show expansion of operations and earnings over the past year. While public relations were more pronounced than for many years past, it is thought in some quarters to be a reflection of the times, rather than dissatisfaction with the service provided.

Government, Municipal, Public Utility and Industrial Bonds

•

List of current offerings furnished on request

NESBITT, THOMSON and Company Limited

355 St. James Street, Montreal

Branches in all Principal Cities of Canada

119

Bank Chat on Current Topics

New Pictures on Notes

THE DOMINION BANK is planning the issue of a new series of notes carrying the likeness of president C. H. Carlisle, who is connected with several large industries such as the Goodyear Tire & Rubber Co. of Canada and the Canada Bread Co.

Mr. Carlisle does not photograph well. Bank Chat understands that engravers have encountered difficulty in reproducing his likeness in presidential style.

The new notes, of course, are called for because of the smaller size money that will be placed in circulation next year. The Royal Bank is also planning some changes in the pictures on its notes, it is understood. Morris W. Wilson, the Royal's new president, will probably be depicted.

* * *

Payable on Demand

PROVISION in the Bank Act that a bank must pay up to $100 in either one, two or five-dollar Dominion notes as specified by any person is sometimes troublesome. The five dollar notes, for instance are not kept in quantity in many branches.

One bank customer recently entered a Saskatchewan branch and demanded $100 in Dominion fives. He produced a copy of the Bank Act showing that he was entitled to get them. The branch couldn't comply, not having sufficient of the specific notes requested. The manager explained that he would have to send to Regina for them. But this didn't satisfy the customer who wrote to the Inspector General of Banks at Ottawa complaining that the bank had violated the provisions of the Bank Act.

In this case the customer was a comparatively impecunious individual. One of the most surprising features of the request, from the bank's viewpoint, was that he was able to amass the $100 in bank notes necessary to embarrass the branch manager.

Nothing came of the matter. Technically, however, every branch must be ready, on demand, to pay up to $100 of Dominion ones, twos or fives in the proportions specified by the customer.

* * *

Bank of Canada Lease

LAST week it was reported on this page that the Bank of Canada was purchasing a Montreal property for its branch there. This was incorrect. The bank has leased the premises at the southwest corner of St. James and St. Francois Xavier Streets formerly occupied by McDougall & Cowans. It is to be hoped that the bank does better than the former stock exchange firm which is now in liquidation.

The building is a one story edifice with a cut stone exterior. It is classic in its lines and is a modest but dignified home for the Montreal branch.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

T. C. SINE, formerly at Dunville, Ont., to be manager at South River, Ont.

W. F. BUIE, formerly at Hagersville, Ont., to be manager at Winona, Ont.

J. M. STEWART, formerly at Napanee, Ont., to be manager at Thornton, Ont.

J. E. CULLEN, formerly of the supervisor's department, Halifax, to be manager at Mulgrave, N.S.

A. C. HUTCHISON, formerly manager at Mulgrave, N.S., to be manager at Whitney Pier, N.S.

S. F. D. ROE, formerly of the supervisor's department, Calgary, to be manager at Red Deer, Alta.

Current Events in Banking World

Currency Regulations Raise Bank Problems

Control of Circulation Involves New Technique—Branch Costs Affected—New Notes Expensive

Mechanics of control of the note issues of chartered banks under the limitations placed on circulation by the Bank Act in connection with formation of the Bank of Canada is receiving the attention of banking officials.

The new regulations involve problems which were formerly comparatively simple or which did not exist.

Some of the questions that arise from the change in note issue regulations are:

How will the maximum circulation be controlled?

How was it done before?

How will it affect branches?

What is the cost of the new notes?

In a general way these questions are answered here on the basis of information supplied by bank officials.

New Regulations

On the date that the Bank of Canada commences operations the chartered banks must bring their maximum circulation down to the amount of their paid-up capital. And starting Jan. 1, 1936, the maximum circulation must be reduced five per cent below the paid-up capital for each of five years. Then from Jan. 1, 1941, the maximum permitted circulation drops by 10 per cent of the total paid-up capital each year, so that by the end of 1945 the banks will be entitled to circulate notes to the extent of only 25 per cent of their capital, as a maximum.

At Oct. 31, 1934, only five banks had notes in circulation in excess of their paid-up capital, as follows:

Bank:	Notes in circulation Oct. 31 $	Excess over paid-up capital $
Bank of N. S.	12,356,337	356,337
Bank of Toronto	6,525,109	525,109
Provincial Bank	4,142,416	142,416
Can. Nationale	7,256,759	256,759
Imperial	8,375,638	1,375,638

The other five chartered banks were well below the maximum at Oct. 31.

Reduction Procedure

The procedure to reduce the circulation will involve the chains of "supply" branches where currency is distributed to the great networks of smaller branches. Banks which are already beyond their new maximum limits of circulation will instruct their supply branches to cease issuing their own notes and to make payments in Dominion one, two and five-dollar notes. The supply branches will then send only Dominion, or Bank of Canada, notes to branches. Meanwhile clearings of the bank's notes will continue to come in until the total circulation is within the statutory limits.

Not only will some banks have to reduce their present circulation, but all of them will have to watch their total circulation to see that it is not in danger of exceeding the legal maximum. For example, a bank with a paid-up capital of $15,000,000 might have its circulation down to $13,000,000, well within the limit for 1935. If, however, the circulation were to reach $14,000,000, it would be in the "danger zone." Circulation sometimes climbs rapidly, and it rises regularly each Saturday and prior to holidays. Some margin must be allowed for this. Also it takes a little time for the supply branches to control their issues to branches. Thus, some banks will start to place a check on circulation prior to reaching the maximum circulation allowed.

Needs Constant Scrutiny

Thus, after any preliminary reductions in circulation are made, all the banks will watch their total circulation in this manner to see that the permissible maximum is not exceeded. This problem will involve constant scrutiny of the circulation returns, bank officials state.

At first it may be necessary for banks to pay out Dominion fives to reduce their own note circulation, there being no other suitable Dominion note denomination. Dominion fives, heretofore scarce, are already appearing in circulation. When Bank of Canada notes are available, these will be issued through the supply branches. The reduction in bank notes, therefore, will be effected by cessation of payment of these, and commencement of payment of central bank or Dominion currency. Meanwhile the rapid clearing of notes between banks will result in a return of bank notes to the issuing institutions.

As and when the maximum amount of circulation allowed to each bank declines with the passage of years, and in accordance with statute, this system of control will simply be extended to make allowance for the more restricted circulation. One feature of the new system that may be troublesome in Eastern Canada is the provision that notes must be available in French or English. Banks foresee some possibility that there may be intermittent shortages of notes in one or other language at some branches.

Formerly banks were not greatly troubled by increases in circulation. The simple device was to transfer bullion into the central gold reserves when the circulation climbed above the paid-up capital. And between August and February, the extension of the maximum to 15 per cent above the paid-up capital removed much of the need for such transfers to the gold reserves The Finance Act was also used to cover increased circulation.

In future it will be necessary for the banks to pay for Bank of Canada notes for distribution through branches in substitution for their own notes.

Branch Closings

Another phase of the changes in the note circulation privilege is that it will contribute to branch closings. Uneconomic branches have been reduced substantially in the last four or five years. This development is pictured in the accompanying chart, and in the table below:

Branches of Canadian Banks

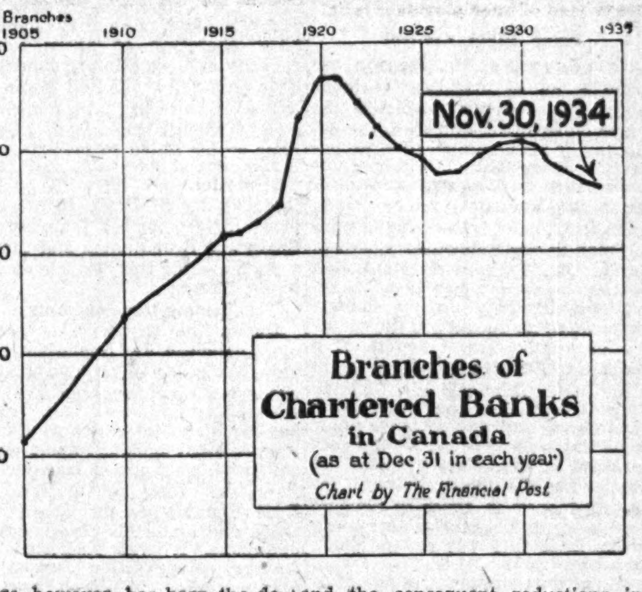
	Total	Canada	Nfld.	Elsewhere
Nov. 30 1934	3,728	3,577	25	126
Dec. 31, 1933	3,796	3,640	25	131
Dec. 31, 1932	3,943	3,778	25	140
Dec. 31, 1931	4,151	3,972	26	153
Dec. 31, 1930	4,271	4,089	26	156
Dec. 31, 1929	4,236	4,049	26	161
Dec. 31, 1921	4,865	4,659	206	
Dec. 31, 1916	3,309	3,202	107	

Branch profits are calculated, broadly, on this basis: Revenue from loans and for services performed, less interest paid on deposits and other expenses. Then the branch is either credited or charged with interest on the deposits it lends to, or borrows from, head office. In some banks the branches are allowed a credit for circulation of notes, which is a method of costing branch operations.

Under the new note issue regulations, branches will have to get more of their funds from head office in the form of Bank of Canada notes. Thus the branch's credit will be less, or its debit more, on its creditor or debtor position with head office. In banks where branches are credited with interest for placing notes in circulation, this source of revenue will be reduced.

Whether or not the branch is allowed some credit for circulating notes, the result will be either that the expense side of the branch ledger will tend to be somewhat higher or that the revenue will be affected adversely.

A more important factor in branch closings, however, has been the depression. Branches are the loaning agencies of the banks, and loans have declined. So branch revenues have been cut. The funds received as loans decreased have been invested in securities by head office. The revenue, therefore, shows as head office income, and the branches are allowed interest on the funds placed with head office for investment in this manner. But the rate so earned by branches has been reduced. The net effect therefore has been to cut branch earnings in most cases.



Branches of Chartered Banks in Canada (as at Dec 31 in each year)

Chart by The Financial Post

Cost of New Notes

The cost of issuing the new, smaller size bank notes almost defies calculation. Most of the banks are making as few changes as possible in the design of their notes. Nevertheless, the cost of changing the plates to the smaller size, even when part of the design is unaltered, is expected to be almost as great as for entirely new dies.

A series of plates for the printing of both sides of a single note may cost from $10,000 to $15,000. Since banks issue fives, tens, twenties, fifties and hundreds, this means that the cost of new plates for one bank may be $50,000 to $75,000. There are 10 chartered banks, so that it is possible that the total cost of plates for the smaller size notes may reach $500,000 or more.

Since the size will be smaller, there will be some saving to the banks in the cost of paper. There will also be a saving in the cost of postage, since banks are constantly using the mails to transfer currency from one branch to another. In one bank it is estimated that in about five years the cost of the new plates may be offset by these savings. Officials, however, admit this to be a guess. The exact costs of changing the notes will probably remain a permanent subject for conjecture, in the opinion of officers consulted by The Financial Post.

One comforting feature of the increased costs of branch operations and the consequent reductions in number of branches is that present staffs do not appear likely to suffer loss of their employment. Branch closings have been effected without wholesale discharges of bank employees. Ordinarily the banks do not discharge workers except "for cause." The last four years have seen some decline in the turnover of juniors, but it is still found that younger men from time to time leave their bank jobs. This obviates part of the need for firing because more employees are not hired. Older bankers reach the pension age and withdraw from service. These trends act as automatic checks on total staff, provided new men are not hired as quickly as juniors and pensioners leave the service, so that the staff reductions are almost painless.

BANKS CLOSE 26 BRANCHES OPEN ONLY 2

Total Branches 3,728 at Nov. 30, Against 3,811 in 1933

Closing of 26 bank branches and opening of only two are reported in the bank directory for December, 1934. This brings the total of Canadian banks' branches at Nov. 30, 1934, down to 3,728, of which 3,577 are in Canada, 25 in Newfoundland and 126 elsewhere. This compares with a total of 3,811 branches at Nov. 30, 1933, 3,943 at Dec. 31, 1932, and 4,151 at Dec. 31, 1931.

Opening of a branch by The Bank of Nova Scotia and a sub branch by The Royal Bank of Canada are reported in the December directory.

Royal Leads Closings

Closings are reported by banks as follows: Royal Bank, 10; Montreal, six; Commerce, five; Nova Scotia, two; Canadienne Nationale, two; and Bank of Toronto, one.

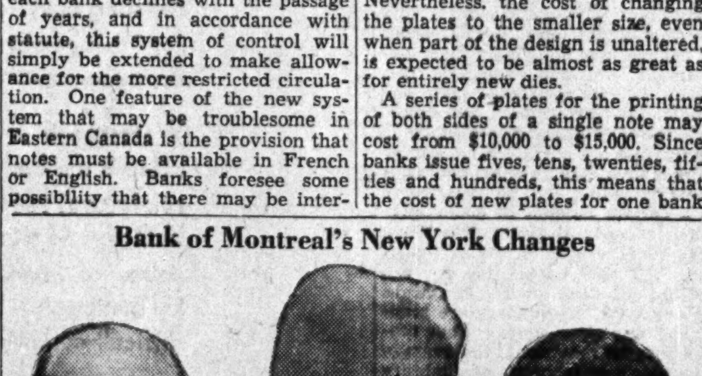
The 28 changes reported in the directory are as follows:

Place:	Bank	Date
Branches Opened		
Morell, P.E.I.	Nova Scotia	Dec. 1
*Neustadt, Ont.	Royal	Nov. 8
Branches Closed		
Alberton, P.E.I.	Nova Scotia	Nov. 30
Bowmanville, Ont.	Royal	Nov. 30
Bromhead, Sask.	Montreal	Nov. 30
Carberry, Man.	Royal	Nov. 30
Cardston, Alta.	Montreal	Nov. 30
Caron, Sask.	Commerce	Nov. 30
Coronach, Sask.	Toronto	Nov. 30
Frontier, Sask.	Royal	Nov. 30
*Inglewood, Ont.	Royal	Nov. 30
*Lac Frontiere, Que.	Can. Nat'le	Nov. 30
Leduc, Alta.	Royal	Nov. 30
Limoilou, Que.	Montreal	Nov. 30
*Marbleton, Que.	Commerce	Nov. 30
*Montreal (St. Vital)	Can. Nat'le	Nov. 30
Morell, P.E.I.	Commerce	Nov. 30
Okotoks, Alta.	Montreal	Nov. 30
*Paradise Valley, Alta.	Montreal	Dec. 6
Prince George, B.C.	Commerce	Nov. 30
Russell, Man.	Montreal	Nov. 30
Sonningdale, Sask.	Nova Scotia	Dec. 15
*Springbrook, Ont.	Royal	Nov. 30
Toronto (Danforth Dawes)	Commerce	Nov. 30
" (Jane & Annette)	Royal	Nov. 30
Wainwright, Alta.	Royal	Nov. 30
Wellwood, Man.	Royal	Nov. 30
Windsor (Erie & Parent)	Royal	Nov. 30

*Sub branch.

The Financial Post analysis of the annual reports of Canadian banks published this week appears on another page of this issue.

Bank of Montreal's New York Changes



B. C. GARDINER W. T. OLIVER K. C. WINANS

Mr. Oliver, first agent of the Bank of Montreal at New York, will retire on pension on Dec. 31, after a service of nearly 52 years. B. C. Gardiner succeeds Mr. Oliver as first agent at New York. Mr. Winans, formerly third agent, is now second agent. G. R. Ball who was assistant agent, has been appointed third agent.

Mr. Oliver went to New York in 1905 as an agent of the Bank of British North America. When the Bank of British North America was merged with the Bank of Montreal in 1918, Mr. Oliver was appointed an agent of the larger institution. He became first agent of the Bank of Montreal at New York in 1924, following the death of R. Y. Hebden.

Manitoba Bonds—
A Trustee Investment

The Province of Manitoba has made excellent progress in improving its budgetary position during the past two years. Official estimates indicate a surplus in the current year.

The new issue of Province of Manitoba, 4% Bonds, due January 2nd, 1950, is available at an attractive discount to yield a substantial interest return.

Denominations: $1,000, $500 and $100.

Price: 97.79 and interest, to yield 4.20%

Descriptive circular gladly furnished upon request.

Wood, Gundy & Company Limited

Toronto · 36 King Street West · Vancouver
Montreal · Toronto · New York
Winnipeg · PHONE: ELGIN 4321 · London, Eng.

For Sale

FREEHOLD TIMBER LANDS

THE Canadian Pacific Railway Company offers for sale 150 square miles (95,718 acres) of valuable freehold timber lands situated in the Province of Quebec, estimated to contain from 5 to 6 cords of pulpwood per acre, or about half a million cords, other valuable timber and about 42 per cent arable land.

In addition, the Company offers for sale scrip for about 230 square miles (147,525 acres) of freehold timber limits in the Province of Quebec, to be selected.

For further particulars apply to—

J. O. APPS
General Executive Assistant,
Canadian Pacific Railway Co.,
203, Windsor Station,
MONTREAL, Que.

SAVINGS DEPS. ALL CANADIANS $1,579,935,000

Compares With $1,575,808,000 in '33—Increase .26 Per Cent

Total savings deposits in Canada in 1934 amount to $1,579,935,000 according to the estimate of The Financial Post Business Year Book, 1935, to be published early next year. This compares with a total of $1,575,808,000 in 1933, an increase of .26 per cent.

If demand deposits with chartered banks are added, total deposits in 1934 are estimated at $2,103,147, compared with $2,067,592,000 in 1933, a gain of $35,555,000, or 1.72 per cent.

Savings deposits in Canada are held by chartered banks, trust and loan companies, Quebec savings banks and co-operative banks, Ontario and Alberta provincial savings departments, and in the Post Office savings banks. Most of the figures used for the Business Year Book's estimate are as at Sept. 30, in the respective years.

Savings Deposits in Canada

	1934 $ 000's	1933 $ 000's
Chartered banks	1,376,960	1,372,184
Trust and loan	78,000	79,000
Quebec banks	72,594	72,550
Ont., Alta., depts.	30,000	30,783
P. O. savings	22,381	23,291
Total savings	1,579,935	1,575,808
Chart. banks demand deposits	523,212	491,784

Bank of Canada Candidate Revises Previous Data

F. Homer Zwicker, Lunenburg, N.S., fish merchant, who is running for the directorate of the Bank of Canada as a representative of primary industry, informs The Financial Post that he is a university graduate in engineering, not in law, and that he has never contested any provincial elections contrary to information published in The Post last week.

Mr. Zwicker is a director and secretary-treasurer of Zwicker & Co., Lunenburg fish firm, which was established in 1789. He is also managing director of Nova Print Ltd., past president of Dalhousie University Alumni Association and president of the Lunenburg Golf Club.

Fewer Hogs

Livestock receipts at the Saskatoon stockyards during the eleven months of the year were higher in all classes except hogs.

Weekly Bank Clearings

	Dec. 20, 1934 $	Change year ago %	Dec. 13, 1934 $
Halifax	2,319,538	+11.7	2,191,122
Saint John	1,785,157	+18.3	1,625,463
Moncton	884,134	+10.7	694,253
Sherbrooke	720,735	+24.8	564,778
Quebec	4,395,606	+10.4	3,669,716
Montreal	104,642,445	+30.5	100,621,535
Ottawa	4,825,068	+18.0	4,159,480
Kingston	584,298	+5.4	538,050
Peterborough	666,866	—1.4	561,840
Toronto	130,412,455	+37.9	123,087,877
Hamilton	3,653,216	+1.3	3,595,884
Kitchener	1,011,788	—8.0	854,620
Brantford	964,348	+15.1	695,097
London	2,830,720	+16.4	2,394,989
Chatham	592,598	—9.8	485,266
Windsor	2,097,697	—2.9	1,892,224
Sarnia	452,661	+....	379,472
Sudbury	660,481	+12.7	716,290
Fort William	739,946	+22.2	570,075
Winnipeg	53,163,686	+68.2	47,608,020
Brandon	356,669	+16.9	287,711
Regina	4,331,284	+49.3	3,910,159
Moose Jaw	585,929	+14.3	505,317
Saskatoon	1,634,794	+33.3	1,396,428
Pr. Albert	327,616	+29.3	293,559
Edmonton	5,170,076	+36.9	4,569,704
Calgary	5,685,419	+35.7	5,731,448
Medicine Hat	248,783	+28.6	229,176
Lethbridge	467,687	+40.2	473,362
N. W'minster	518,331	+30.8	425,274
Vancouver	16,711,048	+19.8	13,867,053
Victoria	1,389,699	+3.4	1,388,433

Public Utility Earnings

Brazilian Traction

November:	1934 $	1933 $	Increase $
Gross earn.	2,723,356	2,412,866	310,490
Expenses	1,241,375	1,109,322	132,053
Net earn.	1,481,981	1,303,544	178,437
Eleven Months:			
Gross earn.	27,983,934	26,262,881	1,721,053
Expenses	13,329,848	11,820,077	1,509,771
Net earn.	14,654,086	14,442,804	211,282

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning and operating mills at

Beaupré, Que. · Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. · Iroquois Falls, Ont.
Espanola, Ont. · Smooth Rock Falls, Ont.
Pine Falls, Man. · Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint

Groundwood Pulp · News Sulphite Pulp

High Grade Bleached Sulphite Pulp

Public Utility Bonds

"Quarterly Quotations", giving year-end values on a broad list of Canadian securities, will be available for distribution early in January.

	Price About	Approx. Yield %
*Ottawa L.H. & P. Company, 5%, 1 Oct., 1957	105	4.63
*Shawinigan Water & Power Co., 4½%, 1 Oct., 1967	97	4.65
*B.C. Telephone Company, 5%, 1 Dec., 1960	105	4.68
*Maclaren-Quebec Power Co., 5½%, 1 Feb., 1961	102	5.30
Nanaimo-Duncan Utilities Ltd., 5½%, 2 July, 1964	97	5.70
Duke Price Power Company, 6%, 1 May, 1966	100	6.00
*Assoc. Tel. & Tel. Company, 5½%, 1 May, 1955	59	10.25

*Payable in Canada, New York and London.

Full particulars supplied upon request.

W. C. PITFIELD & COMPANY Limited

235 St. James Street, MONTREAL · 80 King Street West, TORONTO

OTTAWA · QUEBEC · SAINT JOHN · MONCTON · HALIFAX · VANCOUVER · LONDON, ENG.

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:—

Your Directors beg to present herewith statement of the affairs and the financial position of your Company for the fiscal year ending November 30th, 1934.

In Canada the year 1934 has been one of steady progress toward better business conditions. A marked improvement in many lines of business has taken place, and of particular gratification has been the development in the export trade of the country. Notwithstanding many unsolved problems, very substantial progress has been made from the depths of the depression, all of which is encouraging.

Referring more particularly to the building industry, in which you are vitally interested, some progress has been made, but less progress than in the majority of other lines of business. In no other important country is this industry at so low a point relatively as in Canada. It will be recalled, however, that the building industry in Canada was one of the industries that was late in feeling the effects of the depression and it is, therefore, probably natural that its revival should lag. The improvement which took place during the year is indicated by the building permits which increased 34% over 1933, a substantial improvement as expressed in percentage, but bearing in mind the extremely low volume of 1933, the volume increase is not of great proportions. It should be said the Public Works programme of the Federal Government will not be reflected in demand for materials in substantial quantities until 1935.

Your Company's business showed an increase in volume of sales during the year in line with the somewhat better conditions prevailing in the building industry. We might state that the total consumption of cement in Canada was on a very restricted scale. While improvement was made over the 1933 volume, the total sales were disappointing when compared with normal years.

The Balance Sheet presented herewith reveals the improvement that took place in the business of your Company in the period under review, showing, as it does, somewhat better earnings than during the previous year. After providing for bond interest, an amount of $1,000,000.00 has been set aside for depreciation, and $105,699.76 has been carried forward to surplus account. The liquid position of your Company has been still further improved showing a better ratio of current assets to current liabilities. Earnings were not sufficient during the year to justify any payment on the Preferred Stock. Preferred dividends, therefore, accrued during the year.

Miscellaneous income, which includes interest on investments, held up remarkably well, and accounts for a considerable proportion of your Company's earnings. The foreign exchange situation has been a great deal more favorable than in the years immediately preceding, so that the premium on foreign currency to cover bond interest payments was practically eliminated. Idle plant expense continues to be a heavy burden on account of the very low percentage of operation. No capital expenditures of any consequence were carried out during the year but your operating plants were maintained in their usual good condition.

It is difficult to make a forecast for the coming year, but, from information gained from various sources at your Company's command, we are inclined to believe that improvement in the building industry will be slow for the immediate future. Nevertheless, the year should show some improvement over that of 1934.

The results of the year's operations as shown in the Balance Sheet we trust will, under the circumstances, be considered satisfactory.

Respectfully submitted on behalf of the Board of Directors,

J. D. JOHNSON,
President.

BALANCE SHEET — NOVEMBER 30, 1934

ASSETS

CURRENT ASSETS:			
Inventories as determined and certified to by the Management and valued at or below cost which is below market		$ 1,408,457.45	
Accounts Receivable (less Bad Debt Reserve):			
Customers' Accounts	$284,598.32		
Other Accounts	56,564.79		
		341,163.11	
Loans to Employees for purpose of purchase of Company's Shares		16,008.20	
Deposits on Tenders		5,797.86	
Securities Deposited with Workmen's Compensation Commission		5,000.00	
Government Bonds (Market Value, $1,263,767.50)		1,228,015.68	
Cash		1,600,547.81	
			$ 4,604,990.06
INVESTMENTS IN AND ADVANCES TO SUBSIDIARY COMPANIES:			
Shares and Bonds, less amounts written off		$ 2,615,679.67	
Advances		873,264.59	
			3,488,944.26
OTHER INVESTMENTS:			
Company's Own Bonds (at par)		$ 526,000.00	
Miscellaneous Investments at book value, less amounts written off		85,783.50	
			611,783.50
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES			64,970.20
PROPERTY ACCOUNT:			
Land, Buildings, Plant, Equipment, etc., as appraised by Messrs. Ford, Bacon & Davis, Inc., on the basis of commercial value at September 30, 1927, $38,267,500.00, with the cost of subsequent additions, less Depreciation written off			38,382,005.93
			$47,152,693.95

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable		$ 322,010.11	
Bond Interest accrued and Unpresented Coupons		113,611.88	
Provision for Dominion, Provincial and Other Taxes		71,772.38	
			$ 507,394.37
RESERVES:			
Fire Insurance		$ 750,000.00	
Extraordinary Repairs and Renewals		175,000.00	
Cloth Sacks Outstanding		150,000.00	
Industrial Accidents		60,800.00	
Contingent Reserve		250,000.00	
			1,385,800.00
FIRST MORTGAGE SINKING FUND GOLD BONDS 5½% SERIES "A" DUE 1947:			
Authorized	$30,000,000.00		
Issued		$20,000,000.00	
Less: Redeemed through Sinking Fund		2,232,500.00	
			17,767,500.00
PREFERENCE SHARES — 6½% SINKING FUND CUMULATIVE SHARES OF $100.00 EACH REDEEMABLE ON SIXTY DAYS' NOTICE:			
Authorized (of which $21,000,000.00 has been issued)		$25,000,000.00	
Outstanding			20,086,900.00
NOTE: No dividend has been paid since May 31, 1932.			
PREFERENCE SHARES REDEMPTION RESERVE			55,900.00
COMMON SHARES:			
600,000 Shares of No Par Value, out of an authorized issue of 750,000 shares, issued at the incorporation of the Company in 1927			6,403,904.75
EARNED SURPLUS:			
Profit and Loss Account for the year ending November 30, 1934:			
Profits from Operations		$ 1,886,275.74	
Interest, including Interest on the Company's holdings in its own Bonds		207,837.85	
		$ 2,094,113.59	
Deduct: Bond Interest		1,002,193.96	
		$ 1,091,919.63	
Deduct:			
Depreciation written off Property Account	$1,000,000.00		
Reserve for Extraordinary Repairs and Renewals	25,000.00		
Directors' Fees	11,755.00		
		1,036,755.00	
		$ 55,164.63	
Adjustments in respect of prior years		50,535.13	
		$ 105,699.76	
Balance of Surplus, November 30, 1933		839,595.07	
			945,294.83
			$47,152,693.95

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of the Canada Cement Company Limited for the year ending November 30, 1934, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the Balance Sheet at November 30, 1934, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, before making full provision against the year's operations for Depreciation of Plant and Equipment, according to the best of our information and the explanations given to us and as shown by the books of the Company.

The Assets and Liabilities of the National Cement Company and of the St. Lawrence Land Company are not included in the above statement and in accordance with Section 114 of the Companies' Act, 1934, we report that the aggregate net losses of these subsidiary companies for the current year (in the case of the National Cement Company before making provision for Depreciation and after crediting adjustments in respect of prior years) have been provided for in the Profit and Loss Account of the Canada Cement Company Limited; and that the Balance Sheet of the National Cement Company contains a qualification by the Auditors that no provision has been made to write down the value of Plant and Equipment.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, December 18, 1934.

APPROVED ON BEHALF OF THE BOARD:
J. D. JOHNSON, Director.
H. L. DOBLE, Director.

Walkerville in Default on Principal of Bonds

Town of Walkerville, Ont., paid interest on its debentures on Dec. 14, it is understood, but principal of some $284,000 of debentures maturing on that date was defaulted. It was previously reported in The Financial Post that the town had paid principal as well as interest.

Walkerville did not budget to meet principal of debentures this year. It was expected that a refunding operation would be arranged with bondholders. Some 70 per cent of the bondholders concerned are understood to have been prepared to accept a refunding plan.

In 1933 Walkerville had a population of 10,458 and total funded debt of $2,816,403.

News of Investment Markets

YULE DULLNESS PERVADES BONDS PRICES STEADY

Sales of Recent Governmental Issues Reported Incomplete

Canadian bond markets became virtually somnolent in the Christmas week ended Dec. 24. Price changes were insignificant in dull trading. The gilt-edged market maintained its firmness slightly below the peak for the year.

The Financial Post's average price for seven gilt-edged bonds reached the highest point in 1934 on Dec. 15, on which date, of course, the average yield was at its lowest. The lowest price and the highest average yield were recorded on Jan. 2, from which date prices rose and yields declined steadily.

In 1933 the lowest average price and the highest yield were recorded on March 10, when the U. S. national bank "holiday" was in force. The highest price and lowest yield for 1933 were recorded on Aug. 29, prior to the Dominion's autumn loan.

Progress of New Issues

Because of the intervention of the holiday season, recent offerings of Alberta, Manitoba and C.N.R. bonds were reported incompletely sold. Dealers expect, however, that these bonds may be taken off their hands with the opening of New Year investment.

Comparative average prices and yields have been as follows:

Average Yield and Price for Seven High Grade Canadian Bonds

1934	Yield %	Price $	1933	Yield %	Price $
Dec. 24	3.406	114.64	Dec. 26	4.549	102.18
Dec. 22	3.406	114.64	Dec. 22	4.546	102.10
Dec. 21	3.406	114.64	Dec. 21	4.544	102.11
Dec. 20	3.404	114.66	Dec. 20	4.545	102.09
Dec. 18	3.416	114.52	Dec. 19	4.547	102.07
Dec. 17	3.416	114.52	Dec. 18	4.550	102.04
Dec. 15	3.373	115.00	Dec. 16	4.553	102.00
Dec. 1	3.383	114.88	Dec. 1	4.557	102.18
Nov. 1	3.807	110.30	Nov. 1	4.422	103.55
Year's Range	3.373	115.00	Year's Range	4.350	104.69
	4.517	102.54		4.766	99.75

B. C. MUNICIPALITIES PLAN REFUNDINGS

Fernie, Ports Moodie and Coquittam Negotiating Readjustments

From Our Own Correspondent

VANCOUVER. — Legislation to sanction refunding of bonds in several B.C. municipalities is awaiting the January session of the legislature. Prince Rupert has virtually completed a plan for conversion on a four per cent basis. Port Moody and Port Coquitlam, are still negotiating, and outright repudiation will probably be averted.

Fernie is the latest entry into the refunding column, although arrangements have not been advanced very far. Fernie is obliged to refund because of the recent government order requiring municipalities to pay 40 per cent of relief funds. Fernie, in the depressed coal region, has had a heavy load of unemployment relief and the government has been bearing the cost up to now.

G. G. McGeer, newly elected mayor of Vancouver has indicated that he may propose some form of debt refunding scheme for the city in January.

Hon. A. Wells Gray, B.C. Minister of Municipal Affairs, has reiterated that if bondholders of the city and of the district of North Vancouver do not accept refunding schemes they have little hope of getting any interest for some time. Refusal of the scheme would probably be costly to bondholders, he has stated.

Laterriere Pays Coupons Due on May 1, 1934

Village of Laterriere, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons for May 1, 1934.

Holders of overdue bonds, which carry no coupons, have been asked to communicate with Romeo Lapointe, Laterriere, so that cheques covering interest may be mailed.

SAY $291,752,611 BONDS MATURING IN COMING YEAR

Expected Maturities 30% Below $415,813,957 of 1934

Total expected maturities of Canadian bonds in 1935 are $291,752,611, according to estimates of A. E. Ames & Co., compared with $415,813,957 in 1934, a reduction of about 30 per cent.

This calculation excludes possible redemption of $137,058,841 of Dominion 3½ per cent sterling stock callable at 100 up to 1950, and of $47,519,000 of seven per cent Dominion-guaranteed railway bonds, due 1940, but callable at 102½ in New York.

Total maturities compare as follows:

Bonds Maturing

	1935 $	1934 $
Dominion:		
Direct	165,267,000	309,605,556
Guaranteed	18,500,000	18,560,333
Provincial:		
Direct	49,739,632	22,586,409
Guaranteed	8,752,929	363,118
Municipalities	40,000,000	47,412,628
Corporations	9,493,050	17,285,913
Totals	291,752,611	415,813,957

Possible Omissions

It should be noted that no allowance is made in the estimate for possible redemption of corporation bonds most of which are callable.

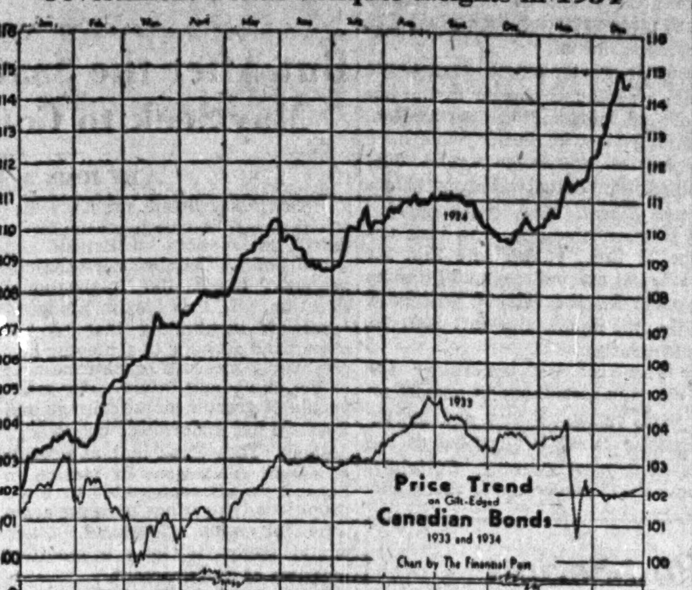
While provincial maturities are higher than last year, the Dominion has about $144 millions less maturing in 1935. About 55 per cent of all maturities are payable in Canada. The place of maturity is shown below:

Where Maturities Are Payable

	Canada $	Canada, New York $	Canada, New York London $	Canada, London $	New York $
Dominion:					
Direct	114,393,000	874,000	......	....	50,000,000
Guaranteed	1,500,000	17,000,000	......	....	......
Provinces:					
Direct	35,278,632	10,676,000	3,720,000	....	65,000
Guaranteed	8,657,649	88,000	......	7,280	......
*Municipalities	......	......	......	....	......
Corporations	657,600	8,835,450	......	....	......
Total	160,486,881	37,473,450	3,720,000	7,280	50,065,000

*Cannot be segregated.

Government Bonds Conquer Heights in 1934



Gilt-edged governmental bonds climbed to the best levels in the memory of the present generation of Canadian investment dealers in 1934, and successfully cleared the heights in the price chart for the preceding year. While exact comparisons are not possible, prices for Canadian government bonds of the highest grades appear to have reached approximately the best levels since 1907. The rates now available to prime governmental borrowers are comparable with the best since the opening of the present century.

Steady Rise of Bonds Helped 1934 Finance

Comparative Exchange Stability and Outside Investment Contributed to Advance

With two slight interruptions the year 1934 witnessed a steady rise in the price of Canadian bonds. Not since the upward movement which started in the last month of 1929 and continued until May of 1931 has there been so sustained a climb. Notwithstanding the fact that many of these bonds were traded in substantially in United States, the mid-summer slump in prices which was a feature of American financial development in 1934 had no appreciable counterpart in this country.

Like the previous rise, this latest development really began in the fall of the previous year, the definite upward trend being first noticeable in November, 1933. Except for a slight dip last June and again six months later, both of which were in anticipation of Dominion Government financing, the rise was continuous. A sharp gain was made in the first three months of 1934 with another spurt from October to December.

International Phases

As both New York and London were in the field for Canadian bonds, reasons for the boom market were international as well as national in character. The return of the Canadian dollar to parity with the pound sterling and American currency has been cited as one important factor. Coupled with this the relative stability of foreign exchange, the world wide reputation of Canadian banks and financial institutions are also stressed as features which carry much weight with the foreign investor.

Of more national interest has been the gradual improvement in public and corporate financing in Canada and the rising trend of both domestic and foreign trade. A sharp increase in the Dominion note issue and better returns from industry generally resulted in an accumulation of idle money.

In the earlier part of the year this went naturally and quickly into the higher grade of government securities, but as a growing proportion of improving financial statements from industrial companies began to appear, and as prices of gilt-edged securities continued to rise, more and more of this idle money began to find its way into industrial bonds.

Fewer Defaults

Of prime importance to this later development was the steady decline in corporation bond defaults which in 1934 were estimated at less than $12,000,000. More efforts on the part of a majority of relief-harassed municipalities to put their financial houses in order and more serious, though yet unsuccessful attempts of the Western provinces to balance their budgets, have aided in the rise of junior government securities.

Government Account

By a very wide margin the greatest part of the year's financing was for government account. Of total bond financing of approximately $625,000,000 including $45,000,000 in unmatured treasury bills, only a little over $47,000,000 was for corporations. Dominion borrowings exclusive of the treasury bills amounted to over $390,000,000. The various provinces borrowed a total of almost $146,000,000 while the different municipalities added another $25,000,000 to the total.

London and U. S. Buyers

Throughout the year London was a considerable buyer of sterling-payment bonds while buyers in the United States showed normal interest in similar securities. Whereas in the former years the fact that interest was usually payable in U. S. funds was an attraction to American investors, during the past year, because of the monetary unsettlement in the States, many investors there were in the market for bonds paying interest in a foreign currency which had some indication of stability. This preference for a Canadian investment and for interest in Canadian funds allowed some companies in this country an opportunity of reorganizing their capital structures so as to drop the former optional and at times very expensive clause which called for interest and principal payment in U. S. funds.

Government Borrowings

All but about $45,000,000 of the total borrowed by the Dominion Government was for refunding purposes whereas three-quarters of that borrowed by the provinces was for new expenditures.

A new departure of the federal authorities during the year was the public offering of short-term treasury bills. This was taken as an indication of future development under the Bank of Canada which has authority to engage in open market operations of this nature.

Three major loans were floated, one each in Canada, Great Britain and a private bank loan in United States. The most important of these was the internal loan of $250,000,000 in October. On the approximate $350,000,000 borrowed at lower interest rates for refunding loans maturing in 1934, approximately $14,000,000 was saved the Dominion Government in annual interest charges. In addition to this Federal Government financing, the note issue was increased by almost $50,000,000 which in reality represented a free loan, but which will later be funded at three per cent.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.6	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	23.7	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.8	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
July	97.8	10.5	72.4	153.8	72.7	123.3	86.7	116.6	50.6	83.1
August	100.7	9.9	73.2	158.0	73.1	125.5	91.3	120.1	51.2	85.9
September	98.8	9.6	72.6	160.2	71.9	123.4	83.8	118.8	50.1	85.7
October	107.7	9.8	68.4	169.0	74.4	126.6	89.2	122.0	49.0	87.1
November	111.4	11.0	66.0	180.8	74.3	128.1	98.4	125.3	46.5	87.8
Weekly Figures, 1934:										
December 6	113.2	10.8	70.3	176.0	73.0	133.3	113.5	123.6	47.3	92.3
December 13	115.6	10.7	70.1	177.7	73.7	132.5	110.0	126.5	47.3	92.2
December 20	118.1	10.8	70.3	178.8	71.9	133.7	106.5	121.6	47.0	91.8

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Dec. 24	101.26	111.46	80.39
Dec. 22	100.37	110.37	80.71
Dec. 21	100.05	110.20	80.11
Dec. 20	99.96	110.05	79.52
Dec. 19	100.08	110.35	78.98
Month ago	101.98	108.32	79.15
High, 1934	120.12	135.98	116.57
Low, 1934	86.85	100.90	76.54

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Dec. 24	59.5	58.0	58.5
Dec. 22	59.5	59.8	58.4
Dec. 21	59.4	57.1	57.9
Dec. 20	59.3	57.3	57.9
Dec. 19	59.2	58.0	58.4
Month ago	58.6	57.1	57.6
High, 1934	72.0	68.2	67.4
Low, 1934	56.4	50.1	53.3

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yi
t. Anne de Bellevue, R. C. Schools	Dec. 12	Garneau, Belanger & Co.	5%	1935-54	$23,600	98.77	
Westmount, Sch. Comm.	Dec. 17	A. E. Ames & Co., Dominion Securities Corp.	4½%	30-ser.	175,000	109.494	3.75

AVON RIVER POWER SEEKS AUTHORITY TO ISSUE "D" BONDS

Nova Scotia Power Unit Proposes to Raise $1,190,300

From Our Own Correspondent

MONTREAL—Application has been made by the Avon River Power Co. to the Nova Scotia Board of Commissioners of Public Utilities for authority to issue $1,190,300 of five and a half per cent first mortgage sinking fund bonds, series D.

No particulars are available at the moment as to the purpose of this issue. At the end of last year the company had outstanding $967,900 of the first mortgage bonds in three series. The amount authorized is $3,000,000, so that the additional bonds may be issued without the necessity of seeking further authorization from the bondholders.

Fund Capital Outlay

Since Nova Scotia Light & Power Co. acquired control of the company in October, 1931, no reports or financial statements have been issued to the public. It is known, however, that the company has carried out fairly extensive development programme, the capital expenditure on which has remained unfunded to date. It is unknown just how much this amounts to, and it is presumed that the proposed financing is for the purpose of funding these capital expenditures.

It will be recalled that last June the parent company, Nova Scotia Light and Power Co. secured approval of the Nova Scotia Board of Public Utilities for the issuance of first mortgage bonds and preference shares sufficient to net the company at least $643,027. The proceeds of this issue were to be used by Nova Scotia Power for capital expenditures, and for the acquisition of the Dartmouth Gas, Electric Light, Heating and Power Co. and Sackville River Co., two wholly owned subsidiaries which have heretofore been carried as an investment in the company's balance sheet.

Professional Offices Pays Coupon Dec. 31

Professional Offices Ltd., owning and operating the Physicians and Surgeons Building, Toronto, will pay the coupon due Jan. 1, 1933, on its seven per cent first mortgage bonds on Dec. 31, 1934. Interest will be paid on the interest at seven per cent for two years, so that a $35 coupon will be paid $39.90, and other denominations pro rata.

At present rentals the property cannot make regular interest payments, according to Stewart Scully Co., who sold the bonds of which $223,500 are outstanding. Some of the larger holders have concluded that it is desirable to get control of the property for bondholders, it is stated. Shareholders of the present company, it is said, have co-operated to this end. A meeting of bondholders will be called later in connection with this step.

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THE TRUSTS and GUARANTEE COMPANY, LIMITED
TORONTO
CALGARY WINNIPEG WINDSOR BRANTFORD

Chicoutimi City Pays Aug. 1, 1933, Interest

City of Chicoutimi, Que., has been authorized by the Quebec Municipal Commission to pay bond interest due Aug. 1, 1933.

Creditors have been asked to present the coupons for payment.

Expect Dominion Glass Dividend Covered in 1935

From Our Own Correspondent

MONTREAL—Common stock dividend of Dominion Glass Co. amounting to $5 a share, will be fully earned during the current year, according to a forecast made by Sir Charles Gordon, president, at the annual meeting of shareholders.

Referring to the report for the fiscal year ended September 30, 1934, Sir Charles said that business had shown some improvement over the preceding year, and stated that the improvement had been maintained.

Bond Tenders

Dec. 31, Langham School District No. 1,461, Sask.—$19,500, 5 per cent 8-ins. school bonds. J. G. Stockan, district sec.

5 o'clock, Jan. 9, Grand'Mere, Que.—$77,000, 4½ or 5 per cent, dated Sept. 1, 1934, redeemable serially to Sept. 1, 1964, for local improvements and direct relief. J. E. Deziel, sec.-treas.

10 a.m., Dec. 31, Brantford—$50,000, 4½ per cent, 20-yr. serial; $30,000, 4 per cent, 10-yr. serial; $100,000, 4 per cent, 10-yr. serial; $91,999, 4½ per cent, 10-yr. serial; $24,365, 4½ per cent, 20-yr. serial, all dated Dec. 31, 1934. Ernest A. Danby, treas.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Riordon Pulp‡	6%	1942	Dec. 31	105
Metropolitan Bldg.	7%	1944	Jan. 15	103½
Rio de Janiero Trama. 1st mtg.	5%	1935	Jan. 1	...
Harris Abattoir.	6+	1947	Jan. 1	103
Dom. Textile	6%	1949	Mar. 1	105
Toronto Harbor Comm.	§4½%	....	Mar. 1	106
Nor'western Util.	7%	1933	June 1	105
Jamaica Public Service	5%	1950	Jan. 15	103

‡Purchase of bonds for sinking fund: $74,600. §In part.

The Royal Bank of Canada

General Statement 30th November, 1934

LIABILITIES

Capital Stock Paid up		$35,000,000.00
Reserve Fund	$20,000,000.00	
Balance of Profits carried forward	1,506,804.99	
	$21,506,804.99	
Dividends Unclaimed	12,190.39	
Dividend No. 189 (at 8% per annum), payable 1st December, 1934	700,000.00	22,218,995.38
		$57,218,995.38
Deposits by and balances due to Dominion Government	$ 3,609,841.78	
Deposits by and Balances due to Provincial Governments	11,072,429.62	
Deposits by the public not bearing interest	124,452,970.76	
Deposits by the public bearing interest, including interest accrued to date of Statement	488,126,483.20	
Deposits by and balances due to other Banks in Canada	1,286,381.70	
Deposits by and balances due to Banks and Banking Correspondents elsewhere than in Canada	8,831,103.56	
		637,479,210.62
Notes of the Bank in circulation		33,221,806.74
Advances under the Finance Act		9,000,000.00
Bills Payable		294,606.98
Liabilities to the public not included under the foregoing heads		445,527.02
Letters of Credit Outstanding		20,763,758.14
		$758,423,904.88

ASSETS

Gold and Coin on hand	$11,753,028.82	
Dominion Notes on hand	63,174,883.29	
Deposit in the Central Gold Reserves	3,000,000.00	
United States and other Foreign Currencies	17,849,226.38	$95,777,138.49
Notes of other Canadian Banks	$ 1,871,356.17	
Cheques on other Banks	21,994,944.16	
Balances due by other Banks in Canada	2,189.89	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	46,037,403.36	69,905,893.58
Dominion and Provincial Government Securities, direct and guaranteed (maturing within two years), not exceeding market value		69,832,406.07
Other Dominion and Provincial Government Securities, direct and guaranteed, not exceeding market value		86,663,110.34
Canadian Municipal Securities, not exceeding market value		6,724,973.12
Public Securities other than Canadian, not exceeding market value		17,487,895.87
Other Bonds, Debentures and Stocks, not exceeding market value		12,443,176.98
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		23,430,645.46
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		29,907,053.64
		$382,172,287.17
Current Loans and Discounts in Canada (less rebate of interest), estimated loss provided for	$226,942,028.26	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest), estimated loss provided for	95,616,158.61	
Non-Current Loans, estimated loss provided for	4,224,347.86	326,782,534.73
Bank Premises, at not more than cost, less amounts written off		16,833,330.67
Real Estate other than Bank Premises		2,681,571.01
Mortgages on Real Estate sold by the Bank		821,332.72
Liabilities of Customers under Letters of Credit as per contra		20,763,758.14
Shares of and Loans to Controlled Companies		6,313,081.60
Deposit with the Minister of Finance for the security of Note Circulation		1,600,000.00
Other Assets not included under the foregoing heads		456,008.84
		$758,423,904.88

NOTE:—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris, and the assets and liabilities of The Royal Bank of Canada (France) are included in the above General Statement.

M. W. WILSON, President and Managing Director.
S. G. DOBSON, General Manager.

AUDITORS' REPORT

TO THE SHAREHOLDERS, THE ROYAL BANK OF CANADA:

We have examined the above Statement of Liabilities and Assets at 30th November, 1934, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have verified the cash and securities at Head Office at the close of the Bank's fiscal year, and during the year we counted the cash and examined the securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1934, and it is as shown by the books of the Bank.

JAS. G. ROSS, C.A., of P. S. Ross & Sons.
W. GARTH THOMSON, C.A., of Peat, Marwick, Mitchell & Company
} Auditors

Montreal, Canada, 24th December, 1934.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1933	$1,383,604.23	
Profits for the year ended 30th November, 1934, after making appropriations to Contingency Reserves, out of which Reserves provision for all Bad and Doubtful Debts has been made	4,398,217.63	$5,781,821.86
APPROPRIATED AS FOLLOWS:		
Dividend No. 186 at 8% per annum	$ 700,000.00	
Dividend No. 187 at 8% per annum	700,000.00	
Dividend No. 188 at 8% per annum	700,000.00	
Dividend No. 189 at 8% per annum	700,000.00	
	$2,800,000.00	
Contribution to Officers' Pension Fund	200,000.00	
Appropriation for Bank Premises	200,000.00	
Reserve for Dominion and Provincial Government Taxes	1,075,016.87	
Balance of Profit and Loss carried forward	1,506,804.99	
		$5,781,821.86

M. W. WILSON, President and Managing Director.
S. G. DOBSON, General Manager.
Montreal, 24th December, 1934.

The Financial Post

Member Audit Bureau of Circulations
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

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TORONTO, DECEMBER 29, 1934

PROVINCIAL FINANCING SHOULD BE PUBLIC FINANCING

RECENT financing operations by the provinces of Alberta, Manitoba and Ontario indicate a need for better understanding of public finance on the part of some of the provinces and possibly a need for a national loan council which would prescribe uniform and co-ordinated methods of borrowing for the 10 Canadian governments.

The province of Alberta recently sold a $5,000,000 loan by public tender and received a cash price on four per cent bonds which resulted in a net cost to the province for the loan of about 4.37 per cent. The province of Manitoba placed $3,878,000 with a syndicate of dealers privately on a cost basis of about 4.34 per cent. Both these were long term loans. Ontario sold an issue of short term bonds privately last August to a syndicate at an average cost of about 2.97 per cent; the low cost being largely due to the short term of the bonds.

There is no reason why Manitoba and Ontario should not have called for tenders publicly and taken the best cash price. In the case of Manitoba, it is understood that at least part of the loan was placed on an option basis so that the provincial bonds have not actually been sold for cash. Alberta, on the other hand, got a good cash price and disposed of its bonds. The price received by Ontario was considered good at the time, but there is no certainty that it was the best price available

The only way in which a provincial treasurer can be sure that he is obtaining the best cash price is to invite public bids. There is a better than even chance that a higher price will be obtained in this manner than by private sale. In the Alberta case there was no difficulty in obtaining bids. Manitoba could have obtained three or four competitive bids. Ontario might have done better by public tender.

Both British Columbia and Saskatchewan may be in the market with loans in the near future. Manitoba and Alberta may soon have more bonds to sell. And Ontario will probably fund some short term debts this year. This is public finance, and the borrowing should be done publicly. If government bonds remain near their present high levels there is every reason to believe that these governments can obtain the best going prices for their issues, and protect themselves from criticism, by inviting public tenders and actually selling their bonds at the highest cash quotations.

NOT ALL ATTRIBUTABLE TO WAR

CANADA'S enormous losses on merchant shipping are often excused on the ground that this was a war venture and that the cost ought to be charged to our part in the Great War. For instance, commenting on a recent article in The Financial Post, the Ottawa Journal says that our account of the C.G.M.M. operations omitted one important thing; namely, that Canada's ships were built at the height of the German submarine menace; were built because of it. The Journal adds:

> "There is surely compensation in the knowledge that we did help to defeat the submarine menace and we did a little better financially than other countries coping with the same conditions."

Our government merchant marine did not help to beat the submarines.

The Financial Post has not forgotten that it was the war time need of shipping that first started Canadian politicians thinking of a merchant marine.

The government's ship building programme was announced on January 4, 1918, as a war time necessity for transportation and as a great impetus to Canadian industry and after-war prosperity.

But the first boat was not launched until December 3. The war and the submarine menace were both over then. It is hard to see how the Canadian Government Merchant Marine boats helped to defeat the submarine menace when there wasn't a boat in operation until the submarines were out of commission.

However, we are not inclined to make much of that point.

Any reasonable person can excuse our original mistake in starting the merchant marine. But there was no excuse for attempting to maintain it after the war as a government-owned shipping company. At the end of 1918, there were 43 ships under construction. It might have been possible for far-seeing politicians to have brought themselves to cancelling the contracts for these boats as they cancelled contracts for munitions and other war-time supplies. But the government did not do that. It proceeded to finish the 43 ships for which contracts have been let.

It went further. It let contracts for new ships. As late as 1921, when world shipping was in despair because of excess tonnage and insufficient cargoes, the minister in charge claimed a large profit for the service, stated that they were essential to the prosperity of the country and, although the government then had 60 steamers in operation, he put in the estimates $8,300,000 for construction of six more vessels to complete the programme. How the construction of six vessels in the midst of the shipping surplus of 1921 could help meet the submarine menace is difficult for the average person to understand.

But if in 1921 it had not dawned upon the powers that be at Ottawa that government-owned shipping was a fatuous effort it surely was clear in 1922, when even the optimistic directors of the company asked the government to write down the ships by $45,000,000. But about half of the boats were kept in service and very desultory efforts were made to sell the balance. Had they been sold at the lowest market value of the day they would have produced more money than they ever were worth again at any later date.

The mistake was not in starting the service. One is inclined to forgive almost any error of this type made under the stress of war time conditions. But a very serious mistake was made in attempting to carry on a government merchant marine after the war and to excuse it on the ground that export trade was being built through the operation of these boats. As late as 1928, one leading journalistic exponent of public ownership was arguing that the boats ought to be kept in service to prevent the development of a private shipping combine.

Finally, the Ottawa Journal argues that Canada's losses on government boats were as nothing compared with the losses of other countries, the United States and Australia for example. What the taxpayers of Australia and the United States had to pay out to finance similar foolish ventures really isn't a matter of great importance to the Canadian taxpayer. Only one thing concerns him and that is the $120,000,000 we have sunk in the ocean on our merchant boats, well over half of which is a result of attempting to operate the boats as a peace-time project when they were no longer to be justified for their original purpose.

A CROOKED YARDSTICK TO MEASURE RATES

PRESIDENT ROOSEVELT'S handling of the public power development in the Tennessee Valley suggests that he wants to set up a yardstick by which the fairness of light and power rates all over the United States may be measured. The president has given an indication that he intends to establish similar "yardstick" developments all over the country.

The T.V.A. promises to be a very crooked yardstick. The reasonable cost of public utility service cannot be measured by the rates of the Tennessee Valley Authority. Here are some points which propagandists of publicly-owned power in the United States have overlooked in their publicity releases to the public.

Rates for energy supplied to domestic consumers from the T.V.A. development are to be kept low frankly by adding a surcharge to commercial and industrial consumers.

T.V.A. will be exempt from most taxes, its total levy coming to about 5 per cent of the wholesale price as against from 15 to 20 per cent of the retail price for private utilities in the area.

Railways operating in the Tennessee Valley area are forced to carry passengers and freight either at half cost or no cost.

A large part of the investment in the plant has been charged to flood control, whereas private companies in the area not only build their own plants but, on navigable streams, are forced to incur the entire cost of locks, etc.

T.V.A. purchased cement for its project below the N.R.A. code prices and told cement manufacturers that if they did not sell at the reduced price, T.V.A. would build a cement factory. Thus, one governmental authority forced manufacturers to break regulations established by another governmental authority.

All advertising and publicity promotional work in connection with the building up of a load in the area is carried on without any expense for postage. All the resources and influence and prestige of the U. S. government have been put behind efforts to bring people into the area.

Most of the cost of the Muscle Shoals hydro and steam plants of the government has been written off before turning them over to the T.V.A.

Enormous sums of government money have been made available to the T.V.A. with no charge for interest.

There are other similar federal gifts or subsidies to the Tennessee Valley development. The true cost of T.V.A. power may never be known. This is because such a large percentage of the true cost will be paid by the taxpayers generally and not by those who use the power.

WHAT? NO ST. JAMES STREET!

TO RADICAL politicians and editors, to bimetallists, to the McGeers, Woodsworths and that motley array of writers and orators who may be classified as "Builders of New Jerusalems," will come a sense of irreparable loss, even tragedy, in last week's announcement from the Montreal City Hall.

There is no St. James Street.

The nearest thing to it is "Rue Saint Jacques," which is really no good at all.

Of the truth of this fact there can be no doubt. There are the solemn assurances of the city fathers of Montreal—made with hand on heart—buttressed impregnably by the Montreal Gazette which has made exhaustive and painstaking search in the official records.

In contemplation of the discovery, the prairie provinces will count the drouth a minor misfortune and British Columbia will view the "sweat shop" products of the east, the "Mountain Differential" and the P.G.E., as so many spokes in a wheel of grievances for which the hub has vanished.

No longer will radical spellbinders in the single phrase "St. James Street" be able to portray, vividly, rapacious bankers, buccaneers of finance.

We can ponder, not grasp in its entirety, the dismay with which the disappearance of the phrase will be received in the more radical sections of Canada. It has swayed tens of thousands of honest citizens; made and unmade governments.

Had Earl Lawson, of Toronto, been appointed Conservative organizer one week earlier, his reputation as a political strategist would now be made. As it is, with Mr. Bennett chained to his desk and cabinet ministers engrossed in departmental detail, the statement of the Gazette must stand. There has been no hocus pocus; in fact there never was a St. James Street. The name is Rue Saint Jacques, it dates back to 1672 and under municipal law cannot be translated into English.

Consequences on the party system are difficult to appraise. Right off, several things are clear.

The government unquestionably will hail the discovery as a windfall, the more welcome because unexpected. Mr. Bennett, apparently, has a rabbit's foot hidden somewhere in the privy council.

Liberals will disagree. The radical wing will be desolate. Perorations will have to be rewritten and the iron will be deep-driven into embittered souls. As for the rest of the Grits, there will be secret rejoicing. Indeed, we fancy Mackenzie King among the latter. It will be refreshing and enheartening for him to know that never again can scurrilous critics refer to his having, "one foot in St. James Street." Nor will his finance ministers again be exposed to such gutter-bred phrases as "the mouthpiece of St. James Street." To those Liberals who know their way about the Montreal financial district (and they are not a few) the news will be as welcome as a cloudburst on the prairies next June. Did not a leading Liberal refer to Sir Herbert Holt, on a famous occasion, as "The Great Father?"

The blow to the C.C.F. and the raggle taggles whose colors are more arresting than pink, will be crushing, perhaps mortal.

We could go on at greater length. There will be, for example, a profound change in the political future of such outstanding men as Hon. Charles A. Dunning who, in recent years, have varied a prospect of grasshoppers and dust storms with more than casual glimpses of so-called St. James Street. And those spartan democrats, the western premiers, who visit Ottawa from time to time, vanish into thin air for a brief period, and are rediscovered at home with tidy contracts for the sale of new bond issues. Hereafter, no doubt, the veil will be lifted on their itineraries.

But possibly Montreal will reconsider the matter. After all, it is something to possess an assortment of steel, cement, stones and mortar which, in the public mind, is regarded as the financial heart of a great country. Certainly, Rue Saint Jacques will never make the grade.

Post-Scripts

LAST week Sir Herbert S. Holt, veteran among Canadian financiers, sailed from New York on the Empress of Britain to spend a few weeks in Nassau. Sir Herbert has built himself a winter home on the mainland opposite Hog Island and famous Paradise Beach. There he is being joined by two of his three sons, Andrew, who is in finance in London, and W. R. G., who is less active than he used to be in finance in Montreal. The other son is a Guards officer in London.

Taking a holiday is almost a novelty for Sir Herbert, whose insatiable appetite for work is well recognized. Betting on the street in Montreal is two to one that Sir Herbert will not last out the winter in Nassau; that he will be back in his office on Craig Street before the snow has melted. Stories to the effect that the 78-year-old chairman of the Royal Bank of Canada and Montreal Light, Heat and Power Cons., intends to take up permanent residence in Nassau are not taken seriously by his intimate friends.

Accompanying these stories one always hears the explanation that Sir Herbert feels that his contribution to the creation of business enterprises in Canada has not been adequately recognized by the public; that he resents the constant criticism to which he is subjected by politicians and newspapers. There may be a modicum of truth in this. More probably Sir Herbert feels that his record in business and finance stands for examination and he is prepared to let people think or say what they like about it.

Toronto, hot-bed of public ownership sentiment, is probably the city in which criticism of Sir Herbert Holt has been most pronounced. A city politician in Toronto can always get a cheap cheer by a reference to Sir Herbert Holt and the "power barons" of Quebec. There is an almost sardonic bit of humor in this situation, for it was in Toronto that Herbert Samuel Holt, a young civil engineer, just graduated from Trinity College, Dublin, got his start in Canada fifty-nine years ago.

There are probably not three persons in Toronto today who know that fact and fewer still who know that Holt's first job in Canada was surveying Toronto Island. It was at the time when the city was building its waterworks pumping system and its purification beds on the island. There were old military maps of the island available but a survey was necessary before the new water system could be laid out. Holt, just arrived in Canada and just out of college, got the job.

At that time there were only two residents of the island, the famous Ned Hanlan, the oarsman and a lighthouse keeper. But a number of people built summer residences shortly afterward and in time the island became a thickly populated summer colony.

Later Holt attached himself to James Ross, who was building the Credit Valley Railway and went on from there to help build the C.P.R.

This is a good point at which to correct a story about Sir Herbert that got into the papers last summer. Sir Herbert took a flight with a Montreal Aero Club plane and in publishing photographs of the event various newspapers stated it was his first flight. Holt has flown more miles than most Canadians; four years ago on a trip to Europe he flew more than 20,000 miles. He had airplane flights before the war in the old-fashioned crates then available. At one time he flew with Graham White, a famous pioneer of aviation, and at another time with the Frenchman, Olivier.

Sayings of the Week

"Energy feeds on activity."—*Ignace Paderewski.*

* * *

"It is not what we possess, but what we are."—*Evangeline Booth.*

* * *

"Canada's crisis will come in 1937"—*F. W. Turnbull, K.C., M.P., Regina.*

* * *

"An event which we see is always better understood than one which we only hear."—*Emil Ludwig.*

* * *

"The partisan press is one of the gravest dangers to democracy."—*F. W. Turnbull, K.C., M.P., Regina.*

* * *

"The great danger that faces humanity today is the danger of the loss of freedom."—*Rt. Hon. Stanley Baldwin.*

* * *

"Labor is today in Germany in a state of semi-serfdom with the lash in the hands of the employers."—*Samuel Untermeyer.*

* * *

"We writers have to pay educated secretaries to disentangle our sentences and guard us from split infinitives."—*Joseph Hergesheimer.*

* * *

"There are very few radicals who are liberals: radicals are almost without exception advocates of compulsion in some one of its forms."—*Nicholas Murray Butler.*

* * *

"Any family that permitted itself to indulge in the self-esteem that most nations enjoy and show would be considered badly brought up and not be invited anywhere."—*Emil Ludwig.*

* * *

"The French-Canadians are a healthy, virile people; the strongest in America. They are close to the soil. They live a good, natural life. They are fine, honest people."—*Dr. A. W. Dafoe.*

* * *

"Whatever may have been their past tendency to be satisfied with things as they were, the Chinese people are now wide awake."—*Hon. Alfred Sze., Chinese Ambassador to U. S. A.*

* * *

"It is necessary in a Democracy to furnish the red and green lights to guide the traffic but not to supply drivers for every car on the road."—*U. S. Secretary of Agriculture, Henry A. Wallace.*

"A great public works programme does not really prime the pump. It discourages private construction. All the water that comes out of the pump is what the primers have poured into it." —*Walter Lippmann.*

* * *

"The less rigid rules and the clash of free opinion allowed by Democracy will in the long run take us farther than the precise decisive dogma of Communism or Fascism."—*U. S. Secretary of Agriculture, Henry A. Wallace.*

The World at Large

Disarmament Rests

But After the Saar Plebiscite Britain May Seek to Conciliate Germany

BY JOHN A. STEVENSON

Ramsay MacDonald, probably conscious at last that he is a completely faded flower both in British and world politics, has become an arch-pessimist about the international situation. He indicates in his latest oratorical lucubration that he has abandoned all hope of achieving any reasonable measure of disarmament in the immediate future. But other people of greater moral courage and force do not endorse his counsels of despair. They think that, as a result of recent relaxations of tension in Europe, the atmosphere is now more propitious than it has been for some time for some agreement, which would secure at least a modified measure of disarmament.

It has, however, been deemed advisable to pitch aspirations about disarmament on a more modest key. On Nov. 5, Arthur Henderson, the chairman of the Disarmament Conference, with this object in view wrote a letter to the members in which he referred to the diminished hopes of an early convention on the lines originally proposed. He suggested that the delegates should concentrate upon the more limited aims of control of arms manufacture and traffic, the establishment of a permanent Armaments Commission and budgetary publicity.

U.S. Presents Plan

As a consequence the original Disarmament Commission went into liquidation on Nov. 20 for all practical purposes. Its reconstruction on a much smaller scale was begun when the Bureau of the Conference met to consider Mr. Henderson's proposals. The American delegation, headed by Hugh Wilson, was in attendance and gave a useful lead by producing the draft text of a convention, which covered the first two of Mr. Henderson's proposals but left the question of budgetary publicity for separate study.

Four Divisions

The American draft, which contains much that was embodied in the original British draft convention, but reinforces it with additional suggestions is divided into the following four parts:

Part I adopts the five categories of arms and implements of war already defined: arms, ammunition and implements of war; naval armaments including warships of all kinds; aerial armaments; arms and ammunition capable of being used for both military and non-military purposes; and arms and ammunition only incidentally useful for military purposes.

Part II contains provisions for the manufacture of and trade in arms and implements of war and requires that the high contracting powers assume entire responsibility for the control of these matters.

Part III makes provisions concerning the trade in arms and implements of war chiefly by the method of licenses.

Part IV defines the composition, functions and operations of the Permanent Disarmament Commission, including provisions for information and investigation but proposes nothing in the nature of international control, each country being left sovereign in this respect.

Regulate War Trade

Mr. Wilson, in submitting the American proposals, said his government believed that without disarmament there could be no sound basis for peace and that it attached special importance to the regulation of the production of and traffic in armaments. He then explained that the objective of the draft scheme was to bring the full searchlight of publicity to bear upon the manufacture of armaments, both public and private and upon the export and import trade in them and to get the data collected in the hands of a permanent central organization at Geneva which would be charged with the duty of examining, collating and publishing that information and of questioning governments and verifying the accuracy of their reports. He did not contemplate that the work of the Permanent Disarmament Convention should be confined to the convention now proposed. He felt, however, that the latter would satisfy the demands of the peoples of the world for a special regulation of arms production and traffic. By eliminating many evils of the armament trade and shedding light into "its murky corners," it would tend to lessen, between states, that constant fear of the unknown which was one of the profoundest causes of anxiety and mistrust. By so doing it would tend to facilitate greatly the eventual adoption of a general disarmament convention.

All This For Three Years

Anthony Eden, for the British Government, welcomed both the procedure suggested by Mr. Henderson and proposals of the American delegation and promised its cordial co-operation. But he added the warning that important and useful as the scheme thus outlined was, the British Government could not regard it as an adequate result for the three years work of the Disarmament Conference. He held that only by the conclusion of a convention for the reduction and limitation of armaments could there be any hope of solving some of the most stubborn political difficulties of the day and bringing appeasement to the nations. His view was that the realities of existing political problems did not even now justify despair. During the last three years they had been near success often enough not to lose hope.

The French and Swedish delegates supported the proposals but Litvinoff, for Russia, while not opposing them, implied that as long as Japan and Germany remained aloof from the discussion and thereby made it impossible to secure universally adopted restrictions and undertakings, their results would be unsatisfactory.

Some Opposition

Ranged in opposition to the scheme were the Italian and Austrian delegations. The former took the line that Italy could not consider the control of the manufacture of armaments before principles had been laid down and accepted for their quantitative and qualitative legislation. Eventually it was agreed that it would be desirable to postpone further steps until the plebiscite in the Saar Valley had been taken.

Obviously the motive behind this postponement is to await evidence of the temper of Germany after this event. In some quarters the view is held that once the Saar Valley is reincorporated in Germany, the Hitler Government will be in a more conciliatory mood.

New Plan for Germany

Indeed there are authoritative rumors abroad to the effect that the British Government is on the point of making a new offer to Germany with good hopes of bringing her back into the League and the Disarmament Conference.

It is forecast that the new plan would offer equality in armaments to Germany provided she would return to Geneva and sign a pact of non-aggression on the lines of the proposed Eastern Locarno pact. Under this she would be required to renounce all ideas of aggression, grant a committee of the League full powers of inspection of her armaments, in common with those of other countries, and promise to come to the aid of other signatories in the event of their being attacked. She would be allowed to raise by yearly stages her forces and armaments to a point below the present British and French levels and these two countries would undertake to reduce their forces until they reached the German level.

Apparently negotiations about this plan are now afoot between London and Paris with the British Government trying to persuade the French that this compromise, however distasteful to them, offers the best escape from a dangerous situation. Fortunately both M. Flandin, the French Premier and his Foreign Minister, M. Laval have indicated that they do not share the late M. Barthou's extremist views about Franco-German relations. If the Germans give them any encouragement, they might endorse the British plan.

As Others See Us

Canada's Law Makers
Vancouver Sunday Sun

The enterprising Financial Post of Toronto has compiled an interesting table which shows the numerical relation between lawmakers and population in nineteen countries.

The reader will note that Canada is the bottom of the list.

That is to say that this country has more lawmakers (not counting aldermen and councillors) per thousand of population than any other of the principal countries on earth.

A Citadel "Assailed"
Halifax Herald

In a political speech delivered at Bridgetown on October 11 of this year, Hon. A. L. Macdonald, Premier of Nova Scotia, made this declaration:

"We shall assail that citadel within which Central Canadian millionaires have fattened at the expense of the people of the Maritime Provinces."

And on Saturday night Mr. Macdonald sat before a microphone in this city and broadcast an attack upon certain Nova Scotia newspapers and newspaper men, in contrast with a eulogy of the Toronto Financial Post and other sections of the press of Central Canada!

The Financial Post is a very fine newspaper, published weekly in "Tory Toronto"—and is to be found on the desks of all those "Central Canadian millionaires" who, according to Mr. Macdonald, "have fattened at the expense of the people of the Maritime Provinces."

So far as The Halifax Herald is concerned, it has not a word to say against The Financial Post; but it is an amazing development to find the premier of this province quoting The Financial Post—published in the very "Citadel of Protection" in Central Canada—a defense of the report of a provincial economic enquiry commission on the basis of which Mr. Macdonald was going to "assail" that "citadel" and the "fattened millionaires" entrenched therein!

Other People's Views

Relief Insurance
Ogden Mills

I suggest that as soon as recovery has advanced far enough to warrant it, our Legislature and municipal authorities make continuing appropriations, that the proceeds be placed in a special fund or funds until the funds reach an adequate size, and that the funds be invested in the bonds of the state and municipality, respectively.

This would mean the public debt would be decreased during periods of plenty; the governments placed in possession of additional borrowing power for relief purposes in periods of scarcity and the necessity of imposing new taxes, at a time when they are least bearable, avoided.

Two Groups Suffer
The Economist, London

As long as importing countries persist in their policy of national self sufficiency and dear bread, the wheat problem will remain unsolved—to the general detriment of two great populations of the world, the producers of wheat in normally exporting countries and the consumers of wheat in normally importing countries.

"Stop Me If You Have Heard This One"

Judge—What possible excuse did you have for acquitting that murderer?

Foreman of Jury—Insanity.

Judge—What, all twelve of you?

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The Week in Business

Sporting Christmas

LAST minute rush to purchase Christmas presents placed a considerable strain on the staffs of retail stores last week, although the weather in most centres was far from propitious. In Ontario, demand for sporting goods was quickened, however, as a result of cold, snowy weather. The head of one large sporting goods house told The Financial Post that the snowfall of a fortnight ago meant at least $50,000 of business for his firm. Unless there is snow before Christmas, he explained, purchase of skates, skis, etc., is extremely limited and, although heavy snowfalls and cold weather come in January, this business is lost.

Heavy demand for books has been one of the features of the Christmas season, according to Bookseller and Stationer, Toronto. Publishers found the demand for books during the past few weeks to be vastly greater than they had anticipated and some had difficulty in keeping the bookstores and department stores supplied. The same situation existed with greeting cards and gift stationery in a somewhat more modified degree.

• • •

Automotive Week

FIRST announcements of several new cars are expected this week. Ford has definitely set December 29 for the initial showing, while General Motors is believed almost ready to introduce the first of its 1935 line, the Pontiac Six. The following week, Chrysler Corp. will release its complete line and General Motors may have the Oldsmobile and Standard Chevrolet ready for the public. In the second week of January the whole industry will be represented at the National Motor Show in Toronto.

• • •

New Business Index

BANK OF Nova Scotia is this week added to the list of authorities which compile a monthly index of business conditions in Canada. The bank index (base 1925-29 = 100), details of which appear in the December monthly business letter, is compiled from five statistical series: general industrial employment in Canada; the movement of wholesale prices; the rate of turnover of bank deposits; the number of revenue carloadings; and the volume of industrial production, all Dominion Bureau of Statistics figures. With the exception of the wholesale price indices, all are later corrected for seasonal influence. Indices are weighted according to the bank's own formula.

A steady upward swing is shown by the index from March, 1933, until March of this year. The trend since that time is explained by the bank as follows:

"Since March, 1934, it appears that, though there has been no setback, the movement upward has been definitely arrested. There is no noticeable rise or fall in the cumulative index during the past six months. The latest figure (83.8) differs only fractionally from that of March last.

"But if there has not been improvement during the past six months (other than the normal seasonal expansion of business during the brisk months, in those industries which are subject to seasonal influences) we may take encouragement from the fact that conditions have been remarkably steady."

An added feature to the bank index of business is a chart which shows the percentage changes from month to month, thus obviating the necessity of calculating these changes from the main index line.

Business Briefs

Concentrated Milk production in Nov. totalled 5,711,802 lbs. as compared with 8,725,383 lbs. in Oct. and 6,045,790 lbs. in Nov. a year ago.

Automobile Production in Nov. totalled 1,697 units, being 1,075 units for domestic consumption and the balance for export. Athough the output for domestic sale was greater than a year ago, the total compares with 2,291 in Nov., 1933, when there was a larger export demand.

Carloadings in the week ended Dec. 15 numbered 43,367 cars as compared with 43,418 in the previous week and 38,888 a year ago.

New Cod Liver Oil Product Introduced in Newf'dland

A new cod liver oil and malt extract product is announced in Newfoundland as a result of research conducted by the Biological Laboratory at Bay of Bulls. It is stated that recent scientific investigation has established that the Vitamin A in cod liver oil increases with the age of the fish. Owing to the slow growth of Newfoundland cod, it is claimed that the Vitamin A potency of the oil is higher than that of cod oil from any other region.

A leaflet included with the commercial product claims that "the oil incorporated in this preparation has the additional advantage of being specially selected after a thorough testing for Vitamin A potency of approximately three times that of ordinary cod liver oil."

Business Conditions in Canada

RELIEF OUTLOOK BEST IN 3 YEARS SURVEY REVEALS

Only Drought Areas Spoil Improved Canadian Picture

The relief outlook as the year ends is distinctly more hopeful than at any time in the past three years, the Canadian Council on Child and Family Welfare remarks in a statement released this week. To this observation a rider is added to the effect that this except the drought areas of Southern Saskatchewan and Manitoba.

Since this time a year ago there has been a reduction of between 50,000 and 75,000 in the number of persons on relief but nevertheless Canada is facing its fifth depression Christmas with an estimated number of 1,150,000 persons dependent on relief aid, it is stated. The December relief bill will be approximately $5,500,000, a reduction of nearly $1,000,000 from a year ago.

Were the increase of dependency in the crop failure areas to be taken into consideration, the basic improvement in the relief picture throughout Canada as a whole would be greater.

Down From Maximum

The all-time peaks in Canadian relief need were reached in April, 1933, with 1,591,857 persons dependent on unemployment aid and again in February and March this year when a little over 1,600,000 were so situated.

Some of the improvement is credited to the mildness of November which allowed those on part-time or just off relief to dispense with the necessity of extra fuel and heavy clothing. On the other hand, the mild weather retarded woods operations and thereby increased the number of unemployed.

October Level Held

For the first time since 1930, however, the beginning of November failed to record a sharp upturn in relief figures and December shows no abnormal increases over July. There has been an upward movement in some centres following on the close of summer and harvest activities, but such a barometric centre as Winnipeg entered November with 1,000 less families on relief than at the same time a year ago. Reduction in a number of other strategically located centres follow:

City:	Reduction in No. families
Ottawa	400
Hamilton	1,000
Sudbury	200
Vancouver	700
Toronto	*500
Montreal	1,200

*Increase.

Wages Higher

There would seem to be some indication that tightening of minimum wage control and wage conditions in certain provinces has affected the situation beneficially in the reduction of families on partial relief, the report states. Removal of families from dependency on younger members is also noted.

Future Outlook

In conclusion of its summary of the relief situation, the report states:

"So far, the picture is brighter, but not to the point of justifiable claims that the depression is broken. It would appear that we have held the trench, that is all, for the first time in four years. The next few weeks will show whether the forces working toward adjustment will advance, mark time, or even recede.

"There will undoubtedly be an upward movement that may run from ten to twenty-five per cent in relief totals in the next three to four months, due to seasonal unemployment, to the "let-down" of employment after Christmas business, and to another factor which must not be disregarded in the present improvement, namely, the gradual completion of extensive construction activity under way since the spring of 1934 and stimulated by the recent public works programme. Of course, in those centres in which these works will not be started until early in 1935, a further immediate improvement will be recorded."

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Consumers' Refineries' Co-operative Assocn. will build a refinery at Regina with a capacity of 350 barrels a day, according to the Regina Leader-Post. The plant will manufacture a full line of fuels suitable for tractors, it is reported.

Pearson's Antiseptic Co., of London, Eng. recently opened a plant at Lachine for the manufacture of disinfectants. Annual output is said to be 200,000 gallons.

Occidental Fruit Co. plan construction of a cold storage plant at Vernon, B.C. for next season's crop, it is reported. The plant will hold approximately 185 carloads of apples and the estimated cost is $60,000.

Government, Municipal and Corporation Bonds

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Economic Areas Record Good Gains in November

Only Prairies Business Lower, According to The Financial Post Regional Indices — Employment Gains Impressive

By SIDNEY B. SMITH

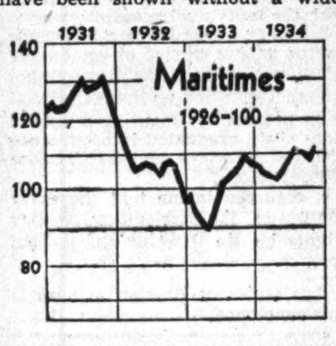
Measured by regional indexes, each of the five economic areas shared in the advance movement of the last two years. Present levels of business activity consequently show marked gain over the low points in the first quarter of 1933. An examination of the curves discloses that while the relative high point of operations in the first half of the year was not maintained in most of the areas the present position is not far from the maximum on the recovery. Despite considerable reaction in the Maritimes and the Prairie Provinces, it is evident that the trend for each of the five areas from the first part of 1933 was tilted in an upward direction

All Areas Advance

During November, gains were recorded in each of the five areas except the Prairie Provinces. Appreciable increases were shown in the Maritimes and in Quebec, the gains in Ontario and British Columbia being slightly less than one per cent. The gains in three factors—electric power, employment and sales of life insurance—were mainly responsible for the excellent showing made by the business index during the month under review.

Gains of 4.5 Per Cent

Maritime Provinces.—Marked advance was recorded in the Maritime Provinces from April to November, 1933. Since that time fluctuations have been shown without a wide

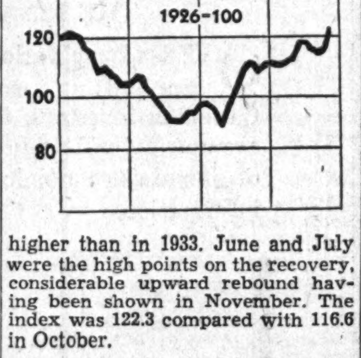


departure from the level reached in the latter part of 1933. The index in November at 111.4 compared with 106.6, recorded a gain of 4.5 per cent.

The adjusted index of employment moved up from 87.0 to 90.3, a gain of no less than 4.6 per cent. The Maritime Provinces were unique in November, being the only area showing an adjusted gain in bank debits. The index moved up from 87.0 to 90.3, an increase of 3.8 per cent. Sales of life insurance recorded an adjusted gain of no less than 22.9 per cent. Construction factors were at a low level. Indexes of imports and exports showed some recession, while the tonnage of vessels clearing from Halifax and Saint John moved up 15 per cent.

Recovery Shown

Quebec.—While the advance in Quebec was not so great in 1934 as in the preceding year the trend continued upward and the consequent level of operations was much

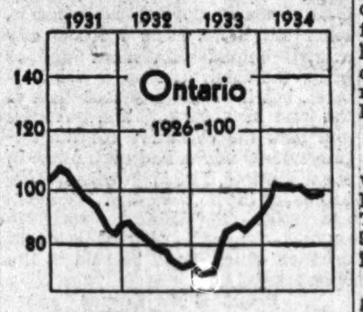


higher than in 1933. June and July were the high points on the recovery, considerable upward rebound having been shown in November. The index was 122.3 compared with 116.6 in October.

The gain in the index of electric power production was no less than 8.8 per cent; the standing of the index on the 1926 base was 256.7 in November compared with 235.9. The index of employment after seasonal adjustment showed a gain of 1.3 per cent. Bank debits dropped off in November from the high level of the preceding month. The index of sales of life insurance moved up from 84.6 to 90.2 or 6.6 per cent. The gain in the output of newsprint was 4.8 per cent. A sharp gain was shown in the imports of raw cotton, the index being up from 89.1 to 133.3.

Index Nears Normal

Ontario.—The gain in business operations in Ontario was marked in the twelve months ended March last. The position reached at that time has subsequently been not far from maintained. An increase of 0.9 per cent was recorded in November from the preceding month, the standing being 99.8 against 98.9. This com-



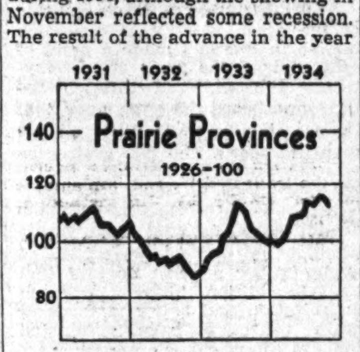
pares with 73.0, the index for March, 1933, the gain in the interval having been no less than 31.5 per cent.

Measured by the indexes expressed in terms of the average of 1926, the level of construction operation made a better showing in Ontario in recent months than in the other economic areas. The output of electric power showed an adjusted gain of 2.9 per cent, the index being 114.4 compared with 111.2. Employment was well maintained, the adjusted gain being 2 per cent. Bank debits showed decline from October, while sales of life insurance made a bright spot, the index moving up from 83.4 to 98.4.

Steel production was nearly maintained while motor car production was quiet even for November. A recession was shown in the inspected slaughter of live stock.

Some Recession

Prairie Provinces.—An advance in business operations was recorded during 1934, although the showing in November reflected some recession. The result of the advance in the year



just ending was to slightly more than offset the decline in the later part of 1933. In November declines were shown in new business obtained by the construction industry. The gain in the record of electric power production was 4 per cent. After seasonal adjustment no change was observable in the employment situation. Bank debits receded rather sharply in comparison with the high level of October. Sales of life insurance were at a better level, the index moving up 11.9 per cent.

Wheat prices averaged slightly higher in November than in the preceding month even after seasonal adjustment. The drop in wheat receipts at country elevators was greater than normal for the season, the index declining from 73.8 to 61.7.

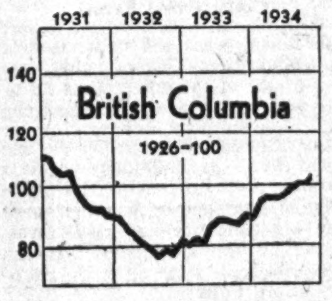
The index for the Prairie Provinces was consequently 112.7 compared with 116.7.

Construction Helps Gain

British Columbia.—The index of business activity in British Columbia showed consistent advance from the latter part of 1932. Any reactions since that time were of a slight character, the net result being that a fairly steady gain was recorded for fully two years. The index was 101.4 in November compared with 80.7 in January, 1933, a gain of 25.5 per cent.

Gains were recorded in new business obtained by the construction industry. The increase in electric power production with seasonal adjustment was 2.8 per cent. The same percentage increase was shown in the adjusted index of employment. The index of bank debits dropped from 88.8 to 79.7. Sales of life insurance, on the other hand, showed an increase. Exports through British Columbia ports were down considerably, while imports recorded a gain of 6.6 per cent.

The index for British Columbia was 101.4 compared with 100.5 in the preceding month, a gain of 0.9 per cent.



ELECTRIC POWER AND EMPLOYMENT IMPROVE IN NOV.

Final Version of Financial Post Index Slightly Higher

Tangible evidence of Canada's economic betterment during 1934 was presented in the advance of production indices recording the resumption of operations on a gratifying scale. The Financial Post index, for example, was 98.1 in November compared with 88.1 in January. The advance during the early months of the year was pronounced, successful consolidation being shown in recent months. Since July the index fluctuated within two points of the 100 per cent line, indicating that the operation levels of 1926 were nearly regained.

While the stage reached in the latter part of 1934 represented a marked gain over the low levels of 1932 and the first quarter of 1933, the amount of idle plant and personnel calls for much further recovery before it may be said that prosperity has returned. There is also a wide disparity between the high point reached in 1929 and present day levels.

Final Figure Higher

The business index for November was raised slightly above the preliminary estimate by final returns. The standing was 98.1 compared with 99.0 in the preceding month and 89.6 in November, 1933.

Minerals.—Despite the marked gain in copper exports to the maximum point in history, the index for mineral production receded from the relative high point of October. Nickel and zinc exports showed recession and lead production was off. Shipments of gold were 257,405 ounces compared with 260,122, while silver shipments were up from 809,400 ounces to 930,700.

Foodstuffs.—The index of food production was 96.5 against 96.6, sugar production and hog slaughterings being factors with pronounced gains. The release of cigars showed marked increase, while cigarettes recorded contra-seasonal recession.

Raw Textile Imports Gain

Textiles.—A bright spot was the gain in the imports of textile materials for further manufacture. Imports of raw cotton were 18,500,000 pounds compared with 9,179,000 and gains were also shown in wool, cotton yarn and thread. The index of textile imports moved up from 85.1 to 122.4

Forest Products.—External demand was greater for newsprint, justifying the output of 240,869 tons compared with 235,021 and a moderate gain was shown in the export of planks and boards after seasonal adjustment. The forestry index consequently gained from 100.3 to 104.1.

Iron and Steel.—The primary iron and steel industry was not quite so active as in October. While the production of steel ingots was nearly maintained the pig iron index dropped from 75.7 to 67.7. The output of motor cars was at a low point, the total being 1,697 units compared with 3,780 in October. Coke production in November was nearly maintained, the index being 125.8 compared with 126.3 in the preceding month. Imports of crude petroleum indicating conditions in the oil industry were 124,000,000 gallons compared with 110,600,000.

Power Output

Electric Power.—The daily average output of electric power was 65,115,000 kilowatt hours against 59,787,000 in October. The increase in the index was from 170.4 to 181.4 which was not often exceeded in the history of the industry.

Distribution.—The distribution index was 95.2 compared with 97.2. Merchandise imports showed marked gain in November and the gain in trade employment was nearly equivalent to the seasonal tendency. Carloadings and exports were not so great as in the preceding month.

Employment.—The decline in the index of employment was less than normal for the season, the seasonally adjusted version of the index recording a gain of 1.2 points.

Commodity Prices

IMMINENT entry of the new Argentine crop into world markets turned attention from Winnipeg during the past week with the result that prices were soft.

Other commodity markets in the United States closed the week fairly steady despite liquidation of holding by speculators prior to the holiday season.

Lethargic trading is expected until after the turn of the year.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.00	$5.75	$6.10
Copper, lb.	.09	.09	.08½
Cotton, lb.	.1275	.1275	.10
Rubber, lb.	.1288	.1285	.0863
Sugar, raw. lb.	.0260	.0263	.0319
Silk, lb.	1.35	1.32	1.42½
Wheat (Man.) bus.	.78½	.78¼	.60⅝
Coffee, lb.	.09½	.09⅜	.08¼
Hogs	8.75	8.70	7.35
Weekly Indices			
N. Y. Analyst	117.1	117.4	102.3
Fishers'	78.6	78.7	†63.6
N. Y. Journal of Comm.	77.0	77.3	...
Crumps (Brit.)	64.3	64.3	†63.4
U. S. Labor	76.7	76.5	70.9
Canada (D.B.S.)	71.4	...	...

† Average, 1933.

Monthly Indices	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (Nov.)	79.4	79.3	77.8
W'sale (Nov.)	71.2	71.4	68.9
U. S. Labor (Oct.)	76.5	77.6	71.2
Gt. Brit. (Oct.)	70.3	71.0	69.2

Note: Indices on all base 1926 = 100 except N. Y. Annalist which is 1913 = 100 British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W Pt. A. basis: hides—heavy native steers, coffee—Rio No. 7, spot, New York; hogs—select bacons, Toronto.

Business Indicators Of Canada . . . Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly Data — Latest 1934	Latest 1933	Cumulative Total Jan. 1 to date 1934	Cumulative Total Jan. 1 to date 1933
Transportation—				
Car loadings (Dec. 15)	▲43,364	38,888	2,249,485	1,966,987
C.P.R. gross earn. (Dec. 14)	$ 2,397,000	$ 2,303,000	$ 119,843,000	$ 107,230,000
C.N.R. gross earn. (Dec. 14)	$ 2,882,893	$ 2,816,146	$ 157,292,855	$ 137,574,674
Business Conditions—				
Business failures (No.) (Dec. 15)	▲33	38	1,395	2,093
Weekly index D.B.S. (Dec. 15)	▲101.5	96.9	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index* (Oct.)	99.0	91.3	....	....
Transportation—				
C.P.R. net earnings (Oct.)	$ 4,100,679	$ 4,058,447	$ 17,770,786	$ 14,029,898
C.N.R. net revenue (Oct.)	$ 2,809,429	$ 2,542,586	$ 9,951,934	$ 3,449,958
Iron and Steel (November)—				
Pig iron production (tons)	38,968	29,592	364,631	190,464
Steel ingot and castings prod., (tons)	57,050	43,100	700,187	358,424
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (October)	1,946	1,606	58,183	37,779
Factory output (November)	▲1,052	1,503	90,204	51,684
Trucks and Buses:				
Domestic sales* (October)	696	496	10,498	5,271
Factory output (November)	▲645	788	23,954	10,978
Exports (November)	▲1,929	1,786	43,126	19,243
Construction—				
Building permits (November)	$ 2,601,418	$ 1,624,138	$ 24,326,224	$ 19,793,204
Contracts awarded (Nov.)	$ 10,451,500	$ 10,637,200	$ 119,749,300	$ 89,082,200
Newsprint (tons)—				
Production (November)	240,869	193,718	2,358,098	1,833,722
Exports (November)	221,553	162,292	2,154,378	1,652,462
Sugar (lbs.)—				
Melting & shipments§	59,114,346	94,458,214	748,456,751	732,568,448
Manufactured§	105,306,254	139,000,893	819,790,114	824,909,160
Flour (bbls.)—				
Production (October)	1,654,189	1,650,557	11,993,026	12,052,234
Wheat flour exports (Nov.)	504,384	547,602	4,712,981	5,152,241
Trade (November)—				
Imports	$ 49,960,565	$ 43,711,559	$ 474,438,661	$ 365,846,758
Exports	$ 65,124,512	$ 60,384,590	$ 592,036,457	$ 480,821,123
Wheat exports (bush.) (Nov.)	18,769,770	23,143,958	150,576,859	174,510,898
Employment (Nov. 1) D.B.S. Index—				
All industries	97.0	88.4	....	......
Manufacturing	91.0	85.6	....	......
Electric Power Output: (November)—				
Total monthly (000's omitted)	▲1,953,464	1,702,558	19,088,780	15,843,841
Aver. daily	59,787,000	52,181,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports mill (November)	120,558	102,777	1,267,360	918,337
Boot & shoe prod., pr. (Oct.)	1,782,172	1,833,771	16,005,689	16,905,234
Crude petrol., imp. gal. (Oct.)	110,637,902	91,713,858	903,635,015	697,660,975
Cotton imports, lbs. (Oct.)	9,179,000	12,228,000	106,396,000	80,837,000
Raw rubber imp., lbs. (Oct.)	6,816,973	5,779,781	53,808,637	34,419,232
Coal imports, tons (Oct.)	1,560,763	1,204,927	11,363,801	9,139,725
Finance—				
Bank debits† (November)	$ ▲3,092,682	$ 2,838,283	$ 29,827,000	$ 27,490,000
Bond sales (November)	$ 4,843,475	$ 3,567,340	$ 604,980,695	$ 528,915,438
Life insurance sales (Nov.)	$ 35,863,000	$ 36,061,000	$ 342,023,000	$ 345,259,000
Automobile Financing—				
Used cars (October)	$ 1,075,374	$ 663,722	$ 12,228,635	$ 9,154,966
New cars (October)	$ 930,492	$ 688,736	$ 15,314,175	$ 9,262,200

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to December 1. *Final.

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THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1934

Balance of Profit and Loss Account, brought forward from last year	$ 662,167.29
Net Profit for the year ending 30th November, 1934, after making appropriation to Contingent Reserve Fund, out of which Fund full provision for bad and doubtful debts has been made	3,413,654.54
	$4,075,821.83

These profits have been appropriated as follows:	
Dividends Nos. 188, 189, 190 and 191, at eight per cent. per annum	$2,400,000.00
Dominion and Provincial Government taxes	600,000.00
Transferred to Pension Fund	246,837.90
Written off Bank Premises	150,000.00
	$3,396,837.90
Balance carried forward	678,983.93
	$4,075,821.83

GENERAL STATEMENT 30th NOVEMBER, 1934

LIABILITIES

Notes of the Bank in circulation		$ 25,972,960.07
Deposits by and Balances due to Dominion Government	$ 7,407,800.76	
Deposits by and Balances due to Provincial Governments	7,160,575.56	
Deposits by the public not bearing interest	98,976,439.29	
Deposits by the public bearing interest, including interest accrued to date of statement	356,926,552.63	
Deposits by and Balances due to other Banks in Canada	872,736.70	
Deposits by and Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	6,946,876.27	
		478,290,981.21
Advances under the Finance Act		7,000,000.00
Bills Payable		49,617.15
Letters of Credit outstanding		12,716,949.86
TOTAL LIABILITIES TO THE PUBLIC		$524,030,508.29
Dividends Unpaid	$ 4,516.85	
Dividend No. 191, payable 1st December	600,000.00	
Capital Paid up	30,000,000.00	
Reserve Fund	20,000,000.00	
Balance of Profits as per Profit and Loss Account	678,983.93	
TOTAL LIABILITIES TO SHAREHOLDERS		51,283,500.78
		$575,314,009.07

ASSETS

Gold and Coin	$10,461,515.59	
Deposit in the Central Gold Reserves (gold)	4,000,000.00	
Dominion Notes	37,389,891.25	
Notes of other Banks	1,130,095.00	
United States and other Foreign Currencies	3,812,755.38	
		$ 56,794,257.22
Cheques on other Banks	$19,286,968.05	
Balances due by other Banks in Canada	7,401.53	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	16,461,815.24	
		35,756,184.82
Dominion and Provincial Government Securities, direct and guaranteed (maturing within two years), not exceeding market value		81,627,153.55
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value		53,477,375.30
Canadian Municipal Securities, not exceeding market value		12,671,170.49
Public Securities other than Canadian, not exceeding market value		10,770,812.20
Other Bonds, Debentures and Stocks, not exceeding market value		4,951,951.33
Call and Short Loans (not exceeding 30 days) in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover		25,547,840.59
Call and Short Loans (not exceeding 30 days) elsewhere than in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover		32,349,966.79
Deposit with the Minister of Finance for the security of the Note Circulation		1,250,000.00
TOTAL QUICK ASSETS		$315,196,712.29
Other Current Loans and Discounts in Canada (less rebate of interest), estimated loss provided for		206,324,084.44
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest), estimated loss provided for		13,667,895.34
Liabilities of Customers under Letters of Credit, as per contra		12,716,949.86
Non-current Loans, estimated loss provided for		3,450,818.40
Mortgages on Real Estate sold by the Bank		2,523,786.22
Real Estate other than Bank Premises		2,416,365.67
Bank Premises at not more than cost, less amounts written off		14,705,147.04
Shares of and loans to controlled companies		3,947,833.33
Other Assets not included under the foregoing heads		364,416.48
		$575,314,009.07

JOHN AIRD, President — S. H. LOGAN, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the above statement of assets and liabilities as at 30th November, 1934, and compared it with the books at the Head Office and with the certified returns from the branches. We have checked the cash and examined the securities and investments of the Bank at the chief office in Toronto and at several of the principal branches as at the close of business on 30th November, 1934.

We have obtained all the information and explanations that we required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank, and we report that, in our opinion, the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, C.A., of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A., of Price, Waterhouse & Co. } Auditors

Toronto, 21st December, 1934.

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Perpetual Endowment Difficult to Establish

Fixed Annuity in Sterling Possible but Real Value Might Decline

"How can I invest a sum of money to yield a permanent income of $500 annually for an educational purpose?" asks a reader of The Financial Post.

What this reader wants to provide is a permanent annuity that will ensure a safe income for generations; something that moths and dust cannot corrupt and which thieves cannot break through and steal. The problem is not simple.

The endowment fund could be handled in several ways, one of the best of which appears to be investment in perpetual government or government - guaranteed securities. Even then, however, the purchasing power of the annual sum might decline substantially.

Trust Endowment

As a trust fund, the endowment could be turned over to a trust company or to individual trustees. A trust company would not guarantee the payment of any specific annual sum in perpetuity. All it would undertake to do would be to accept certain funds and pay out the interest as earned.

In the specific case mentioned, an income of $500 annually would need about $13,000 in capital at present interest rates, and the trust company would probably charge about one-quarter of one per cent of the capital sum, or about $35 per annum, for administering the endowment.

Life Endowment

At the present time, few, if any, life assurance companies would undertake such an endowment plan. In any event, they could not set up a permanent annuity. It would have to be predicted on the life of the donor, or some other person or group of persons, and would automatically expire after the death of the last survivor. The life insurance endowment would probably be in the form of an investment annuity. It could be paid to the benefit of an institution for only a limited period after the last death.

One difficulty that arises from creation of a permanent endowment from which the income is to be payable to a single institution forever is that the courts have decreed that the capital sum shall be available to the beneficiary if desired. The judicial view is that the single beneficiary is the only one interested and therefore can do as it likes with the gift after 21 years. A case of this kind occurred in Toronto several years ago, where a hospital established its right to realize the principal of an endowment.

Dual Interest

In order to get around the possibility of the beneficiary realizing the capital and disbursing it, the donor would have to arrange to create a dual interest in the endowment. A trust could be created to pay the income to the endowed institution as long as it carries on, and then to some other institution, if the first should cease to exist. This would create a dual interest and by this device dissipation of the capital sum could be avoided. If necessary, a series of a dozen alternative beneficiaries could be named for this purpose.

Individual Trustees

Another way of creating a permanent endowment would be to create a board of individual trustees with power to perpetuate themselves in some way. If men were selected who had a close interest in the endowed school or college, it might be done cheaply. This seeming economy, however, is often a false one.

An obvious difficulty with this scheme would be the possibility of the trustees dying and failing to make satisfactory arrangements for perpetuating the trusteeship. The matter might get into court if the trustees were intestate.

Clearly, the difficulties of getting around the realization of principal appear to be capable of solution. But the above mentioned schemes do not provide for payment of a fixed annual sum.

It might be possible to have the annual payment fixed by creation of an endowment that would yield an income larger than the annuity aimed at. The surplus could be placed in a reserve to be drawn upon if the interest rate available on gilt-edged investments were to decline substantially.

Perpetual Securities

A more certain means of establishing a perpetual annuity would be to specify that the endowment be invested in perpetual interest-bearing securities. For instance, there are several perpetual debenture issues of the Grand Trunk Railway which have interest guaranteed by the Dominion Government. These have the disadvantage, in Canada, however, of being payable only in sterling. There is also the perpetual debenture stock of the C.P.R., of which, part was issued in New York and is payable in U. S. funds. It might or might not be advantageous to have the annuity payable in U. S. funds. And no man can say whether the C.P.R. will be a thriving corporation 100 or 200 years hence.

If the endowment were invested in perpetual securities payable in sterling, which has been the world's safest currency in the last 900 years, it might still be wise to allow a margin for possible debasement of the pound below, say, the Canadian dollar.

Possible Plan

A possible plan for a permanent annual endowment of $500 for a school or college, then, would involve these features: Appointment of a trustee to administer the endowment. Donation of, say, $15,000 to be invested in G.T.R. perpetual consolidated four per cent debenture stock. This would allow the purchase of some £3,000 of G.T.R. debenture stock on which the annual income would be £120. This would leave a margin of £20 per annum for possible currency debasement. A dual interest, by way of an alternative beneficiary, would have to be provided.

Unfortunate Feature

Unfortunately, when all this had been done, however, the donor would be predicating the value of the fixed annual sum on the permanency of price levels. And 100 years from now prices may be twice their present levels and the annuity would have a real value of only half its 1934 purchasing power. It is a difficult problem to lay up permanent treasures on this earth.

PER CAPITA DEBT CAN. GOVERNMENT PLACED AT $642.43

Compares With $1,041.83 for United Kingdom and $361 for U. S. A.

Per capita total of governmental debt in Canada is placed at $642.43 in a special report prepared recently at Ottawa. This compares with $1,041.83 for Great Britain and $361 for the United States.

Australia's public debt is calculated at $797.80, and New Zealand's at $957.68. Because the Bureau converts the debts at the current exchange rate for March, 1934, the Australian and New Zealand debt figures are much smaller than they would be at $4.87 to the pound. The Australian pound, for instance, was worth about $4.10 in March. The British debt, on the other hand, is increased by the exchange conversion at about $5.10 to the pound.

Comparative debt figures as compiled by the bureau are as follows:

Public Debts of English-speaking Countries, National and Local, at Latest Dates

Debt	Date	Total	*Per Cap.	
Canada:		$	$	
Dominion net	31.3.34	2,731,696,000	252.12	
Dominion gtd.	31.3.34	993,276,547	91.67	
Dominion special	31.3.34	93,296,071	8.61	
			352.40	
Provincial direct	1933	1,436,366,413	134.48	
Provincial indirect	1933	229,844,566	21.52	
			156.00	
Municipal	1931	1,614,098,992	155.55	
Grand total		7,098,578,589	642.43‡	
United Kingdom:		£	£	$
National	31.3.34	8,024,000,000	172 8 0	880.45
Local debt	mainly '32	1,465,960,000	31 12 0	161.38
Grand total		9,489,960,000	204 0 0	1,041.83
United States:		$	$	
National	23.5.34	26,151,960,000	206.50	
State, local	1.1.33	19,285,000,000†	154.50	
Grand total		45,436,960,000	361.00	
Australia:		£	£	$
National	30.9.33	[illegible]869,444	59 2 10	243.09
States	30.9.33	[illegible]156,170	122 13 4	504.16
Local	31.12.30	79,603,692	12 6 0	50.55
Grand total		1,285,629,306	194 2 2	797.80
New Zealand:		£	£	$
National	31.3.33	282,622,958	183 17 8	759.44
Local	31.3.32	73,849,488	48 8 9	198.24
Grand total		356,472,446	232 6 5	957.68

* Conversions of U.K., Australia and New Zealand pounds made at average rate for March, 1934.
† Figures of state and local debt from "Internal Debts of the United States," by Evans Clark.
‡ Owing to the variety of dates for Dominion, provincial and municipal debts, the total per capita figure has been arrived at by addition of sub-totals above.

Says Japan's Costs Of Manufacturing Sure to Increase

During the twentieth century, "the Japanese menace" has meant a number of things. In Australia and California there was the fear of being overrun with Japanese farmers. More recently, much talk has centred on the possibilities of the Japanese invasion of Asia and Europe on a conquering march. At the present time, however, the Japanese menace centres on the increasing world trade that Japan is doing in manufactured goods.

"Japan has become the most dangerous price cutter in the world," Herbert N. Casson states in a recent issue of Efficiency, London. "She has captured seven per cent of the world's trade, while a few years ago she had only three per cent," he continues.

Pointing out the importance to Western manufacturers of knowing what will happen in Japan, Mr. Casson forecasts the industrial trend in that country as follows:

"1. Japanese manufacturers are beginning to know their costs. They are not making much net profit. They have been all out for volume of sales. They are likely to raise prices.

"2. Japanese wages are regulated by what the people can earn on farms. The people prefer farm work. Wages for farm workers are rising. This will compel higher wages in factories.

"Japanese industries are controlled by a few manufacturing guilds. These guilds are now beginning to produce higher quality goods. They dislike having the reputation of making cheap trash.

"4. More and more, Japanese goods are being faced by tariff barriers. The guilds are now turning to the home market. They now want to raise the standard of living in Japan. This means higher wages."

Russia Today

by ERIC G. ADAMS

The Collectivization of Farms is Speeded Up, Possibly More Rapidly Than Peasants Like It

A rapid change in the national economy of a country, from predominantly agricultural to industrial, might be expected to produce all kinds of complications and unforeseen strains in the system. And so it did in Russia. The Russians claim to have accomplished this change in a few short years. The proportion of national income accounted for by census from industry rose from 28 per cent in 1928 to 38 per cent in 1932, while agriculture's share dropped from 44 per cent to below 40 per cent. In the same period the proportion of rural population to the total dropped from 82 per cent to 76 per cent.

Yet the swing to industrialization has done more than place an extra burden on agriculture, for the latter, too, has been changed greatly. Whether the changes have yet worked an improvement for agriculture or not, I shall leave for others more competent to say. Agriculture is too big a field in which to reach any conclusion on the basis of my recent short trip to Russia as a Canadian bent on seeing things through unprejudiced eyes. I do feel, however, that whatever the present effect of the changes in agriculture, they were changes which were bound to come.

Change in Type of Farming

When the industrialization programme was launched, the conditions in agriculture, where very small individual holdings predominated, checked the pace of industrialization in all fields and had a bad psychological effect on the people. The change in the type of farming during the First Five Year Plan is shown:

	1928 % total sowing area	1928 Av. area per unit in hectares	1932 % total sowing area	1932 Av. area per unit in hectares
Individual peasants	97.3	4.5	22.0	3.15
Collective farms	1.2	42.0	68.0	434.0
State farms ...	1.5	544.0	10.0	2,303.0

Clash of Interests

The attitude of the peasant is readily explained by looking a little into his background. Emancipated from serfdom as late as 1870 and amost completely illiterate at the time of the Revolution, the peasant was ready enough to revolt and seize the land for himself. But once on the land his interest in further social progress ceased. Since he wished to sell his products for the highest price he could get, the individual peasant soon came to have aims and desires directly contrary to those of the town and factory workers with whom he collaborated in the Revolution. The only real weapon to effect a change of his views, is of course, education. Education, however, while effective, is slow; hence a good deal of the agricultural trouble in the U.S.S.R. during recent years.

The kulak (a peasant who has been able to gain enough wealth to hire others to work for him on his land) is to us simply a farmer who has proved himself enterprising and efficient. To the Bolsheviks he is anathema, for he is the most ubiquitous offender against the Soviet golden rule "Thou shalt not exploit." His example, of course, is an object lesson in just the kind of education the government does not wish the peasants to receive. So out went the kulaks (or a good many of them) and with them went, in the winter of 1929-30 alone, one quarter of the cows, one third of the sheep, one half of the pigs and more than 10 per cent of the horses in the country.

Collectivized Farms

Coincidental with the drive to oust the kulak, went the drive toward collectivization. One, of course, was but a part of the other. Thus farming was carried on at the same time, and often in close proximity, under very different systems. On the one hand were the individual peasants farming their little strips in a primitive manner, and on the other were the big collective and state farms using all the machinery that the factories could turn out or the country afford to import.

Flying from Moscow to Kharkov I had a good opportunity to see the two methods strikingly contrasted. From the air the long narrow strips representing the individual holdings looked almost ludicrous beside the immense tracts of land on the big farms with mechanical equipment. The contrast would be similar if a number of small truck gardens were scattered among our big grain farms of the West.

Huge State Farms

The state farms are organized just like great farm factories. The state owns the land, the livestock, the equipment and all the resulting products. The workers are paid a wage for their work the same as in an industrial establishment.

I wonder if state farms do not possess an inherent disadvantage in their inflexibility due to both a high degree of mechanization and centralized control.

The collectives are divided into three different types depending upon how much is collectivized. In associations for the joint tillage of land the means of production are not socialized but the land is cultivated by the joint labor of the members. Agricultural artels socialize land, labor, equipment, work animals and farm buildings, but garden plots and a certain part of the dairy cattle, sheep, hogs, poultry, etc., are not socialized. In agricultural communes all the means of production and the distribution are socialized. Artels now constitute 90 per cent of all the collective farms, with the other two kinds accounting for about 5 per cent each.

Here is an interesting table showing the relation between the sowing area of collective farms in 1932 and of individual peasants in 1928.

	Peasants 1928	Collective Farms 1932
Grain (000 Hect.)	91,076	69,110
Cotton "	956	1,433
Sugar beets "	568	1,107
Flax "	1,344	1,504

Artels Better Than Communes

The only commune I visited was situated some 40 kilometers outside of Moscow. To me it seemed more interesting sociologically than economically. The buildings and methods were fairly primitive and the farm was too small in size to be efficiently mechanized. The whole thing reminded me very much of rather poor farms on the back ranges of the Eastern Provinces or of New England.

Artels impressed me more favorably. One I visited some distance out of Kharkov comprised the expropriated land of forty kulaks besides that brought in by the members of the collective. The farm buildings and equipment were in good condition. A peasant's cottage picked at random proved to be delightfully clean and comfortable. And the land was well tilled and not covered with weeds. I was particularly taken with a little experimental station which the members of the collective had set up themselves. Here they carried on tests on the various kinds of soils in their district, development of the best seeds, fertilizers and methods of cultivation to use.

Large Pooled Farm

The Stalin collective is another artel situated near Moscow. It was established in 1930 when 300 individual peasants pooled their horses, labor and land. The Moscow city council helped with more land to bring the total area up to 420 hectares, but later the city took part of the land back for building purposes and paid the collective for the improvements which had been made in the meantime. The farm raises vegetables for the near-by city. The average wage this summer was 225 roubles a month, plus 15 kilos of produce which could be sold in the open market.

Proud of His Grapes

Except for the absence of individual garden plots the state farms have very few external differences from the collectives. One not far from the power dam on the Dnieper River had several interesting features. Electrically heated hotbeds have been used for some time, for the power from the near-by development is very cheap. They told me that at another farm a few miles away electric power was also being used for plowing, although I did not see it. I did, however, see oxen, camels and tractors, two ancient sources of power and one modern, all working on the same farm. The visit to this farm remains vividly in memory because of the very delicious table grapes I was lucky enough to find ripe in the vineyard there. The old chap who took me around was so proud of his vineyard that I doubted whether he could have thought any more of it if it had been his private property instead of collective property.

Crop Slightly Smaller

After hearing so much on this side of the ocean about the impending famine in Russia I made a point of asking about the grain crop everywhere I went. All through the Ukraine I heard the same story, that the crop is good, but a little smaller than last year's. The 1933 grain crop was the largest yet recorded, 89,800,000 metric tons, or 12 per cent above the previous record crop of 1913. Winter grain suffered from spring drought but immediate replanting made up for a great deal of that loss. In addition, this year improved organization and better methods of grain collection have eliminated some of the waste of other years.

Stress on Irrigation

A considerable portion of the wheat area of Russia is semi-arid, so a small decrease in the rainfall has a disproportionately bad effect on the crop. Because of this, the Second Five Year Plan lays great stress on irrigation. In the Trans-Volga region work has already begun and by 1937 it is estimated that 130,000 hectares in this district will be largely independent of the vagaries of rainfall. Cotton irrigation is also important, and more than a million hectares of new irrigated soil are planned for this crop in 1937. Grain storehouses (they certainly could not be called elevators) all down through the Ukraine in September were overflowing, with bags piled up around the outside walls and even temporary bins of grain right out in the open in some places. So it seems hard to believe the Russians will have to face starvation this winter unless transportation breaks down completely. But I should be surprised if they have much grain for export.

Scientific Research

Perhaps the most encouraging aspect of Soviet agriculture is the amount of attention they are devoting to plant and animal breeding and experimental biology. The immediate result of the kulaks killing off such a large proportion of the livestock was to concentrate attention on animal breeding. The kulaks had owned most of the breeding stock. So the first step in 1931 was for the state to import pedigreed bulls, boars and rams and place them on collective farms and breeding stations. Just this summer a plenum of the Central Committee of the Communist Party adopted a detailed resolution on the improvement of livestock breeding. They are giving exemptions from grain deliveries to certain collective farms in order to promote livestock breeding. Apparently this resolution is a double-edged weapon designed to have a secondary effect in enticing individual peasants onto the collectives, for there most of the breeding stock is kept.

Kuibyshev said, in outlining the provisions of the Second Five Year Plant, "We must fight to the utmost to preserve the young livestock, to restore the normal composition of the herds, and at the same time receive double the quantity of livestock products." His estimate of the livestock of collective farmers in 1937 compared with the livestock of collective and individual peasants in 1932 (in million head) is shown herewith:

	1932	1937
Cattle (large horned)	26.1	44.9
Cows	15.5	19.0
Sheep and goats	32.3	53.5
Pigs	5.7	27.1

During part of my stay in Russia I saw a good deal of an English biologist whose specialty was plant breeding. He had been invited over to Russia to visit some of their agricultural scientific institutions and to give a few lectures on his own specialty. He was very much impressed with the work these institutions are doing and found them far ahead of England or any other country he was familiar with in this field.

There is no doubt that the vicissitudes of local authorities in administering agricultural policy have greatly increased the difficulties. One time the local authorities, in a burst of zeal, would go to extremes in carrying out what they believed to be government policy, with the result that the peasants were antagonized. Another local control would be too lax and consequently the whole programme would bog down. With such a widely distributed industry as agriculture I suppose the central authorities must always expect such difficulties.

The Second Five Year Plan calls for full collectivization by 1937. One Soviet agricultural expert told me that they were experiencing little difficulty in winning over the peasants to the collectives because the latter now contrasted so favorably with the individual peasant's results. Yet just as I was leaving the country the papers carried an announcement stating that the government intended speeding up the collectivization process by imposing a special money tax, graduated in accordance with size of income, on the individual peasants alone.

It occurred to me that the great danger in the agricultural policy might lie in making haste too quickly.

This series of Russian articles is now concluded.

MORTGAGE BONDS TO FURNISH FUNDS N. Z. AGRICULTURE

New Liquid Securities Will Be Backed By Government

By largely obviating the risk normally involved in individual farm mortgage investments and providing a security which will be practically as liquid as government stock, the New Zealand government hopes to obtain plenty of cheap capital to develop its agricultural industry. Legislation along this line is now being prepared by Rt. Hon. J. G. Coates, Minister of Finance in the New Zealand government and makes an interesting comparison with similar developments in this country.

"The permanent objective that the government has in mind is a soundly organized system of long term mortgage finance based on the well-known mortgage bond system extensively used in other countries, that will create a standard agricultural investment through which capital can confidently flow into the farming industry," stated Mr. Coates recently.

The New Zealand government, according to Mr. Coates has no intention of establishing anything in the nature of a monopoly of the mortgage business and he adds that if the parties concerned prefer it, they will be able to continue making contracts for individual mortgages. In his opinion the success of the project depends upon obtaining the confidence of investors in the mortgage bonds to be issued. "We feel that proper organization can narrow the margin that exists between the market rate for mortgages and for good stock exchange securities," he stated. With proper organization he is hopeful of stabilizing lower rates of interest.

Re-establish Farmers

Concurrently and in conjunction with the proposed national mortgage corporation other measures will be proposed for dealing with the problem of financial rehabilitation of unfortunate New Zealand farmers. The heavy fall in the prices of primary products on which New Zealand is largely dependent has rendered the position of many farmers untenable, it is reported.

While details regarding this part of the scheme have not been worked out yet, Mr. Coates stated definitely that each case would be dealt with on its merits and there would be nothing in the nature of a general writing-down or other reductions by legislation. "Given suitable machinery," he said, "I have no doubt that the bulk of the cases can be dealt with by mutual arrangement between the parties concerned, and the remainder will be dealt with by appropriate judicial machinery."

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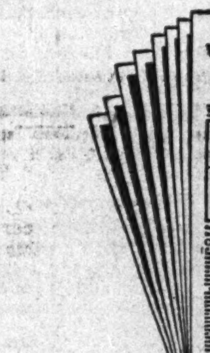

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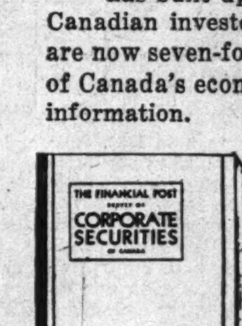
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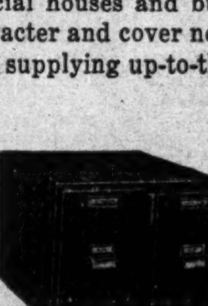

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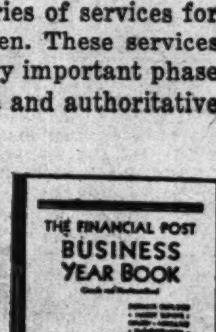

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New U. S. Viewpoint Augurs Well for '35

Change In the Attitude of Business Leaders and Roosevelt Administration Deemed Significant

By KENNETH R. WILSON

Developments of wide significance to Canadian business in 1935 have recently taken place in the United States.

Most important is the conceded fact that the Roosevelt Administration is putting "recovery" ahead of reform in its present plans, and its apparent realization that prosperity cannot be revived by public funds.

Two months ago in Washington this new point of view was just beginning to permeate; today it seems to be in full acceptance by administration and business leaders alike.

Several Factors Responsible

Several factors are responsible. First the administration is persuaded that natural forces of recovery must be allowed to exert themselves; that they cannot be effective unless given something of a free hand. Second, business men have been greatly impressed by the tremendous vote of confidence given Roosevelt in the November elections and realizing they must live for six years at least with the present administration are determined to co-operate in every possible way.

Through the entire picture is the conviction which is permeating so rapidly into men's minds of late, namely that New Deals and Planned Economies are not the Golden Hope and Economic Salvation which they were thought to be, and that the capitalistic system, with all its faults, has survived and is going to survive. As Walter Lippmann remarked after balancing current viewpoints both on this continent and in Europe: "The spell of approaching doom is relieved."

Planned economy as a great American experiment has been tried and has failed, in his opinion. Thus he says of N.R.A.: "To this awakening we have contributed by making and ending a noble experiment. It (N.R.A.) so quickly became intolerably complicated and confused that it will be a long time before any one again seriously imagines the economic life of this nation in all its infinite variety can be planned and directed at Washington."

Canadian Significance

Assuming this is a correct interpretation of the current position of the Roosevelt administration, it is obviously of great significance to Canada in view of our close relationship with the U.S.A. and our belated attempts at "planning" and "codification." There is the long range significance by way of warning to Canada against rushing too quickly into schemes of this kind. There is immediate significance in the beneficial effect this viewpoint must have on business conditions generally on this continent.

One further point is important, namely that this apparent volte face on the part of the administration is more a change in emphasis than in fundamentals. On the broad principles of social justice, wider distribution of wealth, aid for the needy, and so forth there is said to have been no change. It is merely that "recovery" for the time being at least, has been placed ahead of "reform," with every effort at the moment concentrated on the former instead of on both as was the case in 1934.

The new viewpoint was explained to me in Washington last October in these words:

"We set up an almost perfect machine to revive business by monetary and financial aids. Then before the machine had even started we threw not one, but a dozen economic monkey wrenches into it by way of reform, control and regulatory measures. Perhaps this was necessary since many of these things are difficult if not impossible to achieve in times of prosperity. At any rate the administration now realizes the folly of expecting recovery and reform to go hand in hand in this manner. From now on the emphasis will be entirely on recovery. Apart from an uncontrollable Congress we are confident the 'formula' will work rapidly and well."

It is exactly this viewpoint that seems now to have permeated out of Washington into the United States at large.

Sloan Confirms View

Whether Alfred P. Sloan, Jr., president of General Motors Corp. had been reading the Lippmann article referred to above I do not know. At any rate in addressing the recent annual meeting of the Illinois Manufacturers Association at Chicago, he expressed an almost identical sentiment:

"Today" he said, "the magic possibilities of industrial regimentation and the so-called planned economy no longer cast the spell of yesterday—the spell is broken. That is the most important thing that has happened."

Once this viewpoint becomes generally recognized it means in a word that the seen and unseen fears that have gripped trade and commerce in so many lines in the United States should gradually—perhaps rapidly—be translated into confidence. Which raises another bogey, namely that once the ball starts rolling it may be a mighty difficult one to stop with the runways so liberally greased with credit and currency inflation artifices.

At any rate 1935 on this continent seems to be getting under way under good auspices as far as the business outlook in the United States is concerned.

LUMBER INDUSTRY EXPECTS RECOVERY DOMESTIC DEMAND

Outlook for 1935 Seen as Considerably Brighter

By G. B. VAN BLARICOM
Editor, Canada Lumberman, Toronto

Prospects for the lumber industry in 1935 are considerably better than they were a year ago. Many factors are contributing to a hopeful feeling, among them being the gradual trend toward recovery in allied lines, and the outlook that building in the housing and industrial field will be resumed on a fairly generous scale. Many repairs that have been long delayed will have to be made in the near future.

It is an indubitable fact in connection with the use of lumber that the day of making replacements can be postponed, but eventually the remedy has to be applied in the way of new roofs, fences, flooring, siding, verandahs, garages, implement sheds, etc. Herein lies the trade of the average retail dealer who has done a fair business during 1934 in the way of remodelling and alterations, but not in the creation of new structures.

Position Sound

Fundamentally, the lumber industry is in a sound position in that stocks are lower than a year ago and in fewer hands. Logging activities will be on a little heavier scale. There are no big holdings to be slaughtered owing to recent bankruptcies or foreclosures. All "distress" lumber stocks have been cleared away, so that prices—which have all along been very low—should be on a firmer basis.

Owing to wages in the bush being higher, and the cost of supplies greater, logging will be more expensive than last season, and it is necessary that higher prices be obtained if operators, wholesalers and retailers during 1935 are to come out on the right side of the ledger. The lumberman has been playing a losing game during the last three or four years, but he has confronted the situation courageously and patiently, knowing that sooner or later lumber—which is nature's first and foremost building material—would again come to its own.

1934 Volume Greater

The volume of business done by all units of the industry generally was larger in 1934 than in the previous twelve months, but the increase was not nearly as great as anticipated in the spring, when for two or three months signs seemed to point to a lively turnover. It is probable that retail distributing yards and wood-using factories never went into a winter with smaller stocks than they now have on hand. Inventories have been pared down to the last point of safety and practically all orders placed are for immediate shipment.

There is one thing to remember, and it is that stocks in many lines are shattered, and should there be a sudden revival in building or a quick increase in export requisitions,

(Continued on page 10)

RURAL BUSINESS LEADING FACTOR IN HARDWARE GAIN

Higher Sales Across Canada Revealed by Survey

From a survey conducted among wholesalers and retailers in the hardware trade across Canada by Hardware and Metal, Toronto, Ont., it is found that in practically all sections of the country, hardware sales, both wholesale and retail, are higher in 1934 than they were in 1933. In some instances wholesale volume shows a larger percentage of increase than retail sales, indicating a building up of slightly higher stocks in retail stores. The increase in retail sales reaches as high as 27 per cent, with an average of from 12½ per cent to 15 per cent. The increase has been greater in rural territories than in cities and larger towns.

Most of the increase in dealer business is reported in staple household hardware lines. A considerably larger quantity of repair hardware has been bought this year, particularly in the fall months, and much household hardware has been replaced with new equipment. Business in paints, varnishes and enamels has, in most instances, greatly exceeded 1933 business, indicating that many properties had reached a point where painting was absolutely necessary.

Higher Incomes Help

Sales of stoves, ranges, and some of the major appliances and farm lines have been heavier than a year ago. A steady decline is noted in the number of unemployed on relief in most localities, and wage money is spread over a larger percentage of the population. In rural districts, farmers are receiving more for their grain crops and those who have hogs to sell, are securing more than double the price paid a year ago.

While the average increase in retail sales is between 12½ per cent and 15 per cent, wholesalers show an increase in their business which averages between 18 per cent and 20 per cent. Some retailers have not increased their stocks to any appreciable extent, but others report a slightly heavier investment in stock, the result of carrying a better assortment of regular lines, adding new lines to build volume and some higher prices.

Lumber Hardware Active

There are still some sections of the country where business development has not improved much this year, but, on the whole, a gradual and steady increase is noted in sales of hardware commodities. In the mining area, activity has been very brisk, and heavy quantities of hardware supplies have been sold, both to mining companies and their employees.

Lumbering is improved in certain areas, including the Maritime Provinces, Quebec, Northern Ontario and British Columbia. This has created a bigger demand for axes, saws, chain, peavies, and the many other items of hardware used in lumber camps.

All-Round Improvement Keynote of 1934 Business

Industrial Activity, as measured by employment in trade and industry, averaged 15 per cent higher than in 1933. Physical volume of all business was 18 per cent above that of 1933.

Manufacturing led in this general improvement, the primary iron and steel industries (up 80 per cent), automobile production (up 86 per cent) and newsprint production (up 29 per cent) being the leading factors. Percentage changes in indicators of manufacturing volume were:

Percentage Change in Production of Leading Industries

	Change 1933-1934 %
Automobile production	+86
Steel ingot output	+86
Iron ore output	+77
Lumber exports	+40
Raw rubber imports	+39
Coke output	+30
Newsprint production	+29
Coal output	+19
Furniture production	+15
Petroleum imports	+15
Electric power output	+14
Cigarette consumption	+12
Sugar domestic shipments	+ 7
Cut tobacco used	+ 4
Flour production	— 1
Leather footwear production	— 5

Construction failed to make the expected gain in 1934 although there was a considerable improvement over 1933. The extremely low level of the industry in the latter year, however, makes the gain less important.

Contracts awarded advanced 33 per cent as compared with 1933, according to MacLean Building Reports, Toronto. Building permits issued in 63 leading cities were 23 per cent higher than in 1933.

Agriculture played a prominent part in the improvement over 1933, although more as a result of price gains than increased production.

Gross value of agricultural production, according to an estimate made by The Financial Post, was 16 per cent above that of 1933. Field crops were valued at 26 per cent more than last year by the Dominion Bureau of Statistics. Contributing to these gains is an increase of 15.7 per cent in the average price of Canadian farm products in 1934 over the previous year.

Foreign Trade, particularly exports, exerts a strong influence on the Canadian level of prosperity. Exports, in 1934, gained 23 per cent and imports 30 per cent over 1933. The gain in exports took place despite small shipments of wheat and flour.

Newsprint, lumber, automobiles, rubber goods, copper and nickel were important contributors to the gain in exports. Heavier imports of raw materials for further manufacture helped boost total imports.

Prices, as already mentioned, made important gains in 1934, gains which accounted for a considerable portion of the improvement in business. The general index of wholesale prices, with a gain of 6.7 per cent, drew closer to the retail figure which only advanced 1.6 per cent. Again, raw material prices gained 12.2 per cent while the improvement in price of manufactured goods was only 4.5 per cent.

Closing of the gap between farm prices and prices of manufactured goods was, however, the most important price movement of the year. Canadian farm products advanced 15.7 per cent as compared with a 4.5 per cent gain in manufactures.

Transportation—Although the movement of wheat for export and the amount of the western wheat crop were both disappointing, car loadings on Canadian railways were 14.4 per cent greater in 1934 than in the previous year. In this gain, the greater volume of l.c.l. and miscellaneous merchandise carried was cheering.

Railway gross earnings reflected the increase in cars loaded, being higher than in 1933.

Mining showed great improvement in 1934. Not only did the search for gold continue to provide employment for miners and manufacturers but successful preliminary work resulted in about a score of new mines being brought into production.

Output of almost every mineral product registering an increase over 1933. New production records were registered by nickel, copper and zinc while the production of lead was only slightly lower than in the record year of 1928. The output of nickel was 80 per cent higher than 1933; zinc 61 per cent; copper 19 per cent; lead 25 per cent and silver 5 per cent.

Expansion in the gold mining industry as result of the higher price of gold has been the greatest single factor in the improvement. While the production of gold is approximately the same as in 1933 the value of output, as result of the increase in price to $35 an ounce, was the highest in the history of the industry.

Coal production increased 24 per cent, petroleum 28 per cent, gypsum 27 per cent and asbestos 10 per cent.

Fishing—Not only did higher prices bring greater returns to fishermen in 1934, but production was increased on both costs The salmon pack, for example, was the largest since 1931. Volume landed in the Maritimes was also higher.

Value of production from the fisheries was 25 per cent above 1933, The Financial Post estimates.

Financial Factors all reflect the general improvement which took place during 1934. More profitable operation of business is shown by the gain of 38 per cent which took place in dividend payments and the decline of 83 per cent in the amount of bond defaults. Changes in leading factors are shown below:

Changes in Financial Factors, 1933-1934

	Change %
Bank debits	+ 8
Deposits	+ 2
Bond sales	+23
Dividend payments	+38
Bond prices	+12
Bond defaults	—83
Insurance sales	+5—10

Stock Markets—fluctuated in activity but maintained strength in all but beverage and gold stocks. Listings on Toronto Stock Exchange advanced from June 30 to December 1 from 434 issues embracing 609,873,557 shares to 445 issues including 642,309,284 shares. Market valuations in this period fell from $3,701,262,684 to $3,661,857,470 and the average price from $24.35 to $24.30.

Industrialists Optimistic for 1935

Dominion-wide Survey by The Financial Post Business Year Book Reveals Industry's Large Gains In 1934 and Hopes for 1935

"Our production this year will run about 40 per cent ahead of 1933 which in turn was somewhat better than 1932. We are not out of the woods yet, by any means, but business is definitely better and we are looking for further improvement in 1935."

The above is merely typical of replies received by The Financial Post Business Year Book, 1935, from manufacturers throughout the Dominion, resulting from that publication's second annual survey of business conditions in Canada.

Survey Highlights

Highlights revealed by the survey are:

The automobile industry and such associated groups as parts and accessory manufacturers, tire and machine tool manufacturers report increased volume ranging as high as 120 per cent over 1933.

Those industries which manufacture durable goods, particularly those closely connected with the construction industry, report the least improvement. In this group, however, replies indicate that production this year was between 20 and 30 per cent above 1933. It should be remembered, however, that output in this group was at a very low ebb in 1933 and that, while an improvement has taken place, few factories operated even close to capacity.

Outlook For 1935

Hopes for 1935 are based on an expected increase in purchasing power of between 10 and 15 per cent and an even greater improvement in rural buying. Many manufacturers feel that prices, if they have not already increased, have definitely reached their lowest point for the present. In machinery and brass and copper products, a definite gain in prices in 1935 is anticipated.

The following summary of Canada's leading industries is compiled by The Financial Post Business Year Book, 1935.

Newsprint. — Maintenance of improvement in the demand for newsprint from the United States and overseas countries, first apparent in the fall of 1933, continued throughout 1934, with the result that the Canadian industry's operations were within striking distance of the record production established in 1929. To the end of last November the mills in Canada turned out 2,359,748 tons of newsprint paper. This was in contrast to 1,841,700 tons in the same period of the previous year and with the all-time record of 2,495,628 tons between January and October in 1929.

The financial statements of the operators covering 1934 operations are expected to make better reading, but the companies are far from being out of the wood. As for 1935, prospects are good for demand, but other factors are uncertain. Announced price increases are meeting with opposition, but are likely to be enforced. At the same time production costs will be higher, so that the advance in selling price would be largely absorbed by manufacturing costs. From a revenue point of view, next year should be somewhat better than 1934, but the gain will not be as great as is indicated by the increase in selling price.

Packers Busier

Meat Packing—Value of production in this industry is undoubtedly higher in 1934. Hog prices have remained higher throughout the year while in 1933 they hit the low point in a decade. Cattle prices have remained low but probably, on the average, slightly ahead of 1933. The run of cattle has been heavier than in 1933, but the number of hogs graded is slightly lower.

The outlook for 1935 depends a great deal upon the continuation of the British market for bacon. High domestic prices due to the export price has reduced consumption in Canada Any improvement in cattle prices depends largely on finding an export market, something that does not seem very probable at the present time.

Flour Exports Small

Flour and Feed—Lack of any consistent export market again affected the flour and feed industry in 1934. Domestic demand remained much the same as in 1933 but a considerable volume of flour was imported from England. This flour was of a soft wheat type for use in pastry making and imports were accounted for by the exceedingly small Ontario crop of this type of wheat.

Export prices were so low that the business done showed little, if any, profit. The domestic price, too, was low, partly on account of the imports of British flour, milled in some instances from Argentine and Australian grain. Recent regulations restrict imports of British flour to flour milled entirely from British grains. Manufacturers benefitted slightly, however, due to the increased value of inventories carried over from 1933.

Butter and Cheese Factories—Creamery butter production in 1934 showed an increase of six per cent. All provinces with the exception of N.S. and P.E.I. showed improvement. The export market was almost entirely missing in 1934 while nearly 4,000,000 lb. were exported in 1933. Imports of butter for the ten months of 1934 were 2,852,000 lb. as compared with 1,371,000 lb. for the same period of 1933. The average wholesale jobbing price of dairy butter at Montreal was higher than for the season of 1933.

Cheese Makes Declines

Factory cheese production during 1934 continued to decline. Calculations made from the volume of cheese graded in 1934, which represents approximately 93 per cent of the total output, would indicate that production will be below 100,000,000 lb. this year as compared with 111,000,000 lb. in 1933. Ontario and Quebec cheese production represents approximately 96 per cent of the Dominion total.

Exports of cheese for the first ten months of this year were 44,000,000 lb. as compared with 53,400,000 lb. for the same period of 1933. Cheese quotations at Montreal during the season from May to September inclusive averaged .33 cents per lb. lower than for the corresponding period of 1933.

Petroleum Products—An increase of close to 15 per cent was recorded in 1934 in imports of crude petroleum and as this goes almost entirely into gasoline and crude oil sale in Canada it may be assumed that production was increased by about this percentage. Intensive competition in gasoline from supposed "hot oil" shipments kept prices in 1934 around the low levels of the previous year.

Some improvement in the "hot oil" situation is noticeable at the end of 1934 and prospects for next year are, therefore, improved. Increase in the use of the automobile next year is also expected.

Publishing More Active

Printing and Publishing— An improvement of approximately 15 per cent as compared with 1933 is indicated in the printing and publishing industry. Improvement in commercial printing is reported to vary between 10 and 40 per cent in different centres with the larger cities, where houses cater to national advertisers, showing the greatest increases. Weekly newspapers, especially in Ontario and Quebec have shown increased linage this year. There has also been some improvement in the West.

Linage in trade publications has jumped between 15 and 20 per cent. The Financial Post learns. A check of the five leading national magazines in Canada shows increases ranging from three to 25 per cent, the average being approximately 15 per cent. Most of this improvement took place during the latter half of the year.

Promise of heavier appropriations by automobile and other manufacturing companies using large amounts of space makes the outlook for 1935 even better.

Baking Competition Severe

Bread and Baking—Production in this industry in 1934 appears to have remained at much the same level as in the previous year, probably with a slight improvement. Prices have remained about the same although the cost of materials has increased somewhat. Production in the industry is divided about equally between 25,000 small local establishments and about 150 large baking plants. The latter group appears to be doing fairly well as far as profit-making is concerned.

Outlook for 1935 is improved over a year ago due to the higher price for wheat and hopes for higher flour prices. Competition in the industry is very severe, however.

Electrical Apparatus—Definite improvement in the electrical apparatus industry is reported by the leading firms. One states: "Our volume of business during the past year has been somewhat larger than in 1933 and I believe the industry as a whole has had the same experience. There has been no increased demand for larger apparatus the increase being in the smaller devices and general merchandise." Another states; "We have noted a very marked improvement in business during the past six months."

Continued improvement in 1935 is expected, although at the present time there is no immediate prospect of any large electrical installations.

Automobile Output Doubles

Automobiles—An increase of almost 90 per cent in production of new automobiles in Canada in 1934 over the previous year was accounted for by a 60 per cent increase in domestic sales and a very large gain in exports. All the leading manufacturers reported increased production.

For 1935 automobile manufacturers looked for a 15 per cent gain in domestic business over 1934. Further expansion in the export field is also hoped for.

Hosiery and Knit Goods—During 1934 the industry, helped by protective tariffs, obtained a very strong footing in the Canadian market and production of almost all classes was improved. Prices were also better. Leading firms in the industry are believed to be showing increased production and higher profits although the last two or three months has seen a falling off in production

The outlook for 1935 was clouded by the possibility of a Liberal government considerably reducing the tariff on British woollen and knit goods.

Cotton Textiles.—Conditions in the cotton textile trade this year were satisfactory, though there are a number of signs indicating that the unusual demand experienced in the fall of 1933 and spring of 1934 has abated somewhat. The withholding of public buying for a long time and the scarcity of supplies with retailers, combined to create a huge amount of deferred business. When this pent up demand was released, the cotton textile operators found it necessary to operate their plants at capacity in order to keep up with the demand. That demand having been met, there has been a return to more normal marketing conditions with the result that operations have slowed down though not to any serious degree.

Silk and Artificial Silk. — The principal manufacturers of silk and artificial silk continue to operate their plants at capacity. Though warnings have been thrown out that this state of affairs could not continue indefinitely and that due caution should be exercised, there is no apparent falling off in demand if the plant operations are to be taken as a reliable index. Several companies have enlarged their productive capacity and one of the principal artificial silk producers has under consideration another major extension.

Sugar Market Disrupted

Sugar Refining—The sugar market in Canada during the year has grown steadily worse. Although a slight increase in consumption is apparent from shipment figures released by the Dominion Bureau of Statistics, prices are now at the lowest point in over two years.

Crosse & Blackwell's surplus production, which disorganized the market in Ontario and created a lower price there than in any other part of the Dominion, is not now on the market as the company is in bankruptcy. Whether or not the sugar plant of this concern will be reopened is not known. If it remains closed it will certainly improve the condition in Ontario. If not, there is hope that an agreement will be made whereby the C. & B. company will not undercut the market.

The outlook for 1935 is not particularly bright as domestic consumption can be handled with present plants operating at about 50 per cent of capacity and there seems no prospect of an export market developing.

Saw Milling—Although there has been some improvement in both the eastern and western lumber industry due to heavier export demand, the domestic market remains quiet. Production in 1934 will be higher than in 1933, but prices have as yet failed to show much improvement.

The outlook for 1935 is better in that a resumption in domestic construction activity is forecast. It is hoped that higher returns this fall to farmers throughout the country will mean that a considerable amount of new building and repair work, which has been neglected for the past four years, will be started in the spring.

More Beer Consumed

Breweries — Beer consumption took a definite upswing in Ontario with the licensing of hotels to sell beer by the glass. In other parts of the Dominion, regulations have tended to slacken. Production in 1934 in Canada was therefore larger than in the previous year.

Outlook for 1935 is good. Saskatchewan may be added to the list of provinces selling beer by the glass. There is practically no export market in Canadian beer and imports are also negligible.

Biscuits and Confectionery.—Conditions in this industry are anything but satisfactory, manufacturers report. A fight for volume is going on between the manufacturers and while total production will be somewhat higher in 1934 than in the previous year, prices have been reduced. What is needed, according to one of the leading manufacturers, is an increase of about two cents per pound on biscuits.

Conditions in the candy industry are better. A heavier volume of Christmas business has been done by candy manufacturers this year.

The outlook for next year depends, of course, on employment conditions in the Dominion, but as these are definitely on the up-trend, manufacturers appear confident of better business.

Smokers Buy More

Tobacco, Cigarettes — Increased production in 1934 is indicated for this industry by monthly figures of tobacco and cigarettes entered for consumption with the excise division of the Department of National Revenue. Cigarettes show a gain of 12 per cent while cut tobacco is slightly higher. Dealers report a definite trend away from the use of cut tobacco for home rolling into cigarettes. The value of production is expected to be about 10 per cent higher than in 1933.

Outlook for 1935 is at least as good as 1934. Any improvement in general business is quickly reflected in increasing sales of higher grade tobacco, and factory made cigarettes. There has been little change in price of manufactured goods, although the price of raw tobacco has shown a substantial gain this year.

Railway Rolling Stock—Little replacement of worn and obsolete stock of Canadian railways took place during 1934. Repair work again accounted for the largest amount of production. However, a certain amount of new work was done.

Outlook for 1935 is definitely better as replacements will be forced on the railways if the expected volume of traffic is realized.

Fewer Shoes Produced

Boots and Shoes—Canadian production of leather shoes has been fairly well maintained, a decline of between five and six per cent in the number of pairs being indicated for 1934 as compared with the previous year

The increase in the price of leather in the late summer of 1933 resulted in heavy buying of shoes to anticipate an increase in price. This increase, however, did not occur, heavy stocks being carried over to 1934. Merchants have been buying very conservatively this year with the result that stocks at the year end are reckoned to be sub-normal.

In view of these conditions the outlook for 1935 is better. Any improvement in retail demand will be immediately felt by manufacturers.

Coke and Gas—Production of coke in Canada in 1934 was approximately 30 per cent greater than in the previous year. Prices were also slightly higher due, first, to the increased price of U.S. anthracite, and second, to a change in duties which reduced the amount of drawback on imported anthracite which could be claimed. The extremely severe winter of 1933-34 accounted for a large part of this increase in volume. Coke manufacturers also report that a growing number are using coke for fuel purposes.

A good demand for gas and other by-products continued throughout 1934 although prices were slightly lower than in the previous year.

The outlook for 1935 is fair although the increasing cost of producing coke makes competition with imported anthracite somewhat more difficult.

Machinery Firms Busy

Machinery—Firms engaged in the machinery industry have shown a very marked increase in production in 1934, those manufacturing automobile parts and accessories either as a chief line or a side line, being the most fortunate. Increases ranging as high as 75 per cent are reported to The Financial Post by leading concerns.

The outlook for 1935 is even better than 1934 in the opinion of many.

Furniture — Volume this year showed a gain of about 15 per cent as compared with 1933 but prices have remained at the lowest level in many years with the result that the value of production has not shown the increase expected. A continuing number of failures in the industry has resulted in throwing a large amount of distress merchandise on the market.

The Financial Post understands that furniture manufacturers will attempt to increase prices at the beginning of 1935 and if this is successfully accomplished a much better year can be anticipated.

Look to Farmers

Agricultural Machinery—Some improvement was shown in this industry in 1934 although the high levels of five years ago were not nearly attained. From reports that are available, it would appear that a 10 per cent gain at least over 1933 was made in 1934.

The outlook for 1935 is definitely brighter. The 16 per cent gain in gross agricultural revenue and 26 per cent gain in the value of field crops, will be undoubtedly reflected in increased sales of agricultural implements. Volume of 1928 and 1929 seems still far off, however.

1934 Record Year For Electric Output

Central electric stations in Canada will produce more energy in 1934 than for any other year on record. This outstanding showing does not come about as a result of abnormal conditions in any one area, but rather to a general picking up in all of the five major economic areas of the Dominion. For the first 10 months of the year, production amounted to 17,135,312,000 kw.h. This is greater than the amount reported for 1932 when the low point of the depression was reached with an output of 15,862,987,000 kw.h.

As an indication of the progress made during the year, it is of interest to note that for the first 10 months of 1933 output totalled 14,142,752,000 kw.h. and for the full twelve months 17,553,001,000 kw.h. It is thus apparent that for 1934 the final figures will reveal an aggregate output by the central stations of more than 18,000,000,000 kw.h.

Railway Reports Not Yet Normal But Gains Seen

Conditions in railway transportation have not returned to a normal basis, though the improvement in the volume of traffic and earnings in the current year makes better reading for Jack Canuck. The lack of export demand for wheat, dullness in the heavy industries and competition from trucks have had their effect on operations, but, on the other hand, secondary manufactures, newsprint, lumbering and other industries have provided more traffic for the railways.

This is reflected in the operating revenues of the two transcontinental railways. Up to the end of last October the Canadian Pacific's gross income totalled $103,652,668, and net revenue $17,770,786. For the corresponding period of last year gross income amounted to $93,967,027 and net $14,029,898, so that for the current year there has been an improvement in net income of 26 per cent. The nationally-owned railway system reported a gross income for the January-October period of 1934, totalling $137,766,001, and a net of $9,051,934. For the same months in 1933 the system had a gross revenue of $122,878,594, and a net income of $3,449,958.

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DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1934, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of January, 1935, to shareholders of record of the 20th December, 1934.

By Order of the Board.

Dudley Dawson, General Manager.

Toronto, 15th November, 1934.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 8th day of January next.

The chair will be taken at 11.30 o'clock a.m.

By order of the Board,

S. H. LOGAN, General Manager.

Toronto, 23rd November, 1934.

San Antonio Gold Mines Limited

Dividend Number Two

Notice is hereby given that a dividend of seven cents (7c) per share on the outstanding capital stock of the company has been declared, payable February 1st, 1935, to shareholders of record at the close of business on the 2nd day of January, 1935.

By order of the Board.

M. SNYDER, Secretary.

Winnipeg, December 8, 1934.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by Provincial Paper Limited, payable January 2nd, 1935, to Shareholders of record at close of business December 15th, 1934.

W. S. BARBER, Secretary-Treasurer.

Toronto, Ontario.

The Toronto Mortgage Company

Quarterly Dividend

NOTICE is hereby given that a Dividend of Three per cent, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 2nd January, 1935 to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE, Manager.

Highland Dairy, Limited

Preference Dividend No. 20

Notice is hereby given that a Dividend of $1.75 per share for the three-month period ending December 31st, 1934, being at the rate of 7% per annum, has been declared on the outstanding Preference Shares of the Company, payable on January 2nd, 1935, to shareholders of record on the register at the close of business on the 22nd day of December, 1934.

By Order of the Board.

M. MAYNE KENNEDY, Secretary.

Toronto, Ontario, Dec. 14th, 1934.

Canada Bud Breweries Limited

DIVIDEND NUMBER 17

Notice is hereby given that a dividend of Fifteen Cents (15c) per share on the no par value common stock of Canada Bud Breweries Limited has been declared payable on the 15th day of January, 1935, to shareholders of record at the close of business on the 31st day of December, 1934.

By order of Board of Directors.

E. J. KAY, Secretary-Treasurer.

Toronto, Dec. 19th, 1934.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 30th January, 1935, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

DUDLEY DAWSON, General Manager.

Toronto, 20th December, 1934.

Ontario Silknit Limited

Notice is hereby given that a dividend of Two ($2.00) Dollars per share on account of the dividends in arrears now remaining unpaid has been declared upon the preference shares of the Company, payable on the 10th day of January, 1935, to Shareholders of record on Friday, the 28th day of December, 1934. The books of the Company for the transfer of preference shares will be closed at 3.30 P.M. on Friday, December 28th, 1934, and will be reopened on the 2nd day of January, 1935.

A. R. GREENE, Secretary.

DIVIDEND NOTICES

"CANADA DRY"

Ginger Ale, Incorporated
A Delaware Corporation

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, held December 21, 1934, a regular quarterly dividend of twenty-five cents ($.25) per share was declared, payable January 15, 1935, to stockholders of record at the close of business, January 2, 1935.

A. J. P. ESTLIN, Ass't Secretary.

Canadian Bronze Company Limited

DIVIDEND NOTICE

THE quarterly dividend of 1¾%, on the PREFERRED STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of February, 1935, to Stockholders of record as of the 21st day of January, 1935.

Also a quarterly Dividend of Fifteen (15c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending January 31st, 1935. Payable the 1st day of February, 1935, to Stockholders of record as of the 21st day of January, 1935.

By Order of the Board,

W. C. PAQUETTE, Secretary.

Montreal, P.Q. December 21st, 1934.

The Steel Company of Canada, Limited

Preference Dividend No. 94

Notice is hereby given that a dividend of forty-three and three quarter cents (43¾c) on the new Preference Shares of the Company has been declared for the quarter ending December 31st, 1934, payable February 1st, 1935, to shareholders of record at the close of business January 7th, 1935.

By Order of the Board,

H. S. ALEXANDER, Secretary.

Hamilton, Ontario, December 19, 1934.

The Steel Company of Canada, Limited

Ordinary Dividend No. 72

Notice is hereby given that a dividend of forty-three and three quarters cents (43¾c) on the new Ordinary Shares of the Company has been declared for the quarter ending December 31st, 1934, payable February 1st, 1935, to shareholders of record at the close of business January 7th, 1935.

An additional twenty-seven and one-half cents (27½c) per share was declared on the ordinary shares payable on the same date, which will make the total dividends on the ordinary shares for the year 1934 equal to the usual amount of $1.75 per share.

By Order of the Board,

H. S. ALEXANDER, Secretary.

Hamilton, Ontario, December 19, 1934.

The Rio de Janeiro Tramway, Light and Power Company, Limited

To the Holders of the First Mortgage 30-Year 5% Bonds:

Notice is hereby given that the First Mortgage 30-Year 5% Bonds of the Company, which mature for payment on the 1st of January, 1935, will be paid on and after that date as follows:

Bonds of the denomination of $1,000 and $500 each will be paid at the holder's option either—

(1) In Toronto, Canada, at the Toronto branch of The Canadian Bank of Commerce, in dollars, Canadian currency, or

(2) In New York, U.S.A., at the Agents of The Canadian Bank of Commerce, Exchange Place and Hanover Street, in dollars, currency of the United States of America, or

(3) In London, England, at The Canadian Bank of Commerce, 2 Lombard Street, E.C.3, in £ sterling at the rate of £102.14.10 for each $500 bond and £205.9.7 for each $1,000 bond.

Bonds of the denomination of $100 each will be paid at the holder's option either—

(a) In Toronto, Canada, at the Toronto branch of The Canadian Bank of Commerce, in dollars, Canadian currency, or

(b) In London, England, at The Canadian Bank of Commerce, 2 Lombard Street, E.C.3, in £ sterling at the rate of £20.10.11 per bond, or

(c) In Geneva, Switzerland, at the Agents of The Canadian Bank of Commerce there, as specified below, at the rate of 518 francs Swiss currency per bond, or

(d) In Brussels, Belgium, at the Agents of The Canadian Bank of Commerce there, as specified below, at the rate of 518 francs Belgian currency per bond.

All bonds must be surrendered against payment. The owners of registered bonds must also sign a receipt and the signature thereto must be witnessed and guaranteed by a bank. The form of receipt can be obtained from the paying banks.

The agents of The Canadian Bank of Commerce in Geneva and Brussels respectively are:

Geneva—Banque Federale de Geneve, 8 Place du Molard.

Brussels—Banque de Bruxelles, 2 rue de la Regence.

Coupons payable January 1st, 1935, should be detached and presented separately.

Dated, December 20th, 1934.

For THE RIO DE JANEIRO TRAMWAY, LIGHT AND POWER COMPANY, LIMITED,

A. W. ADAMS, Secretary.

Wheat

Dull Market

WINNIPEG—To natural dullness of the pre-Christmas wheat market there was added the depressing influence of large estimates by the governments of the Argentine and the United States, the first, of this year's crop production, and the latter of the acreage seeded to winter wheat. Liverpool felt the effect of the former and Chicago of the latter.

The Argentine government's estimate of 252 million bushels for 1934 production is higher than any yet made. That means an export surplus of 160,000,000 bushels. While this is a reduction of more than 30,000,000 bushels from last year's production it still represents more than an average yield, and appears to indicate that earlier reports of unfavorable growing conditions were much exaggerated.

It remains to be seen, however, whether the quality of the crop will be sufficient to satisfy British and European purchasers. Early reports were that wheat already threshed was decidedly inferior to that of last year. In the face of so large an estimate it is considered doubtful if the Argentine government will accede to the demand of producers and advance the minimum price of wheat.

* * *

U.S.A. Feed Plans

NEGOTIATIONS are hanging fire with respect to the relaxing of restrictions on import of Canadian feed wheat into the United States. During December there has been a steady decline in the price of lower grades of wheat at the head of the lakes in comparison with higher grades. This was partly due to the demand from the United States being slower than anticipated, but it was also influenced by the closing of navigation which put low grade wheat at the head of the lakes in an unfavorable position to satisfy such demand as might develop during winter months.

Also influential was the possibility of rail freight rates being reduced to states immediately south of the international border, which might result in an all-rail movement of feed grains to destinations without any preliminary movement to storage position at the head of the lakes.

* * *

Duty Changes Visioned

A FURTHER influence was the suggestion that United States duty might be relaxed on grades as high as No. 4 northern, which in such case would be more in demand than lower grades. Thus on December 1 when No. 1 northern at Port Arthur was worth 79¼ cents a bushel, the grades from No. 4 down to feed wheat were all quoted within a fractional range of 70 cents a bushel. By December 22, when 1 Northern had lost ¾ of a cent a bushel from its value at the beginning of the month, feed wheat had lost 7½ cents a bushel and was quoted almost 16 cents a bushel lower than one northern instead of a spread of less than 9 cents a bushel at the beginning of the month.

Silverwood's Dairies Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one per centum (1%), being at the rate of 4% per annum, has been declared on the Preference Shares of the Company, payable January 2nd, 1935, to shareholders of record at the close of business, December 22nd, 1934.

By Order of the Board.

J. H. GILLIES, Secretary.

Imperial Bank of Canada

DIVIDEND No. 178

Notice is hereby given that a Dividend of two and one-half per cent (2½%) has been declared for the quarter ending January 31st, 1935, payable at the Head Office and Branches on and after Friday, the First day of February next, to shareholders of record of December 31st, 1934.

By order of the Board.

A. E. PHIPPS, General Manager.

Toronto, December 19th, 1934.

$92,000.00 COUNTY OF LINCOLN ONTARIO 4% COUPON DEBENTURES

Sealed Tenders endorsed "Tenders for County of Lincoln Debentures," will be received by the undersigned until ten a.m., Saturday, December 29th, 1934, for the purchase of the following debentures: $92,000.00 4% Serial Debentures, Provincial Highway Construction Work, maturities 1-10 years.

1. Debentures will be dated Jan. 1st, 1935.
2. Coupons will be attached for the payment of interest at the rate of 4% per annum, payable half-yearly.
3. Debentures will be payable both as to principal and interest at the Imperial Bank of Canada, St. Catharines.
4. Denomination of debentures will be in $1,000.00 amounts as nearly as possible.
5. The right is reserved to reject any or all proposals.
6. For further particulars and financial statement apply to the undersigned.

County Buildings,
County of Lincoln,
St. Catharines, Ont.,
19th December, 1934.

CAMBY WISMER,
Clerk & Treasurer

Grain and Milling in Canada

U.S. ACREAGE PLAN HAS LITTLE RESULT ON 1934 SEEDING

Acreage Seeded Greatest Since 1930, Report Shows

From Our Own Correspondent

WINNIPEG.—Official figures issued by the United States Department of Agriculture on the area seeded to winter wheat do not lend much support to the idea that wheat acreage has been much curtailed through the plans of the agricultural administration, and payment to farmers of approximately $125,000,000 annually out of funds collected by the wheat processing tax.

The area seeded for the past five years, with percentage of winter killing, is given as follows:

	Acres sown	% Aband. account winter killing
1934	44,306,000	...
1933	41,850,000	21.3
1932	42,669,000	33.2
1931	42,283,000	16.7
1930	45,240,000	4.8

Average abandonment for 10 years, 12.2 per cent.

Wheat Condition Better

The condition of winter wheat on December 1 was reported as 77.8 per cent as against a ten-year average of 82.4 per cent and 74.8 per cent at the same time last year, and 68.9 per cent the previous year. Neither condition at the beginning of winter nor the extent of winter killing are absolutely decisive factors, although heavy winter killing is usually followed by a small per acre yield on the area actually harvested, indicating that much of the grain which survives is injured by the same conditions that caused the winter killing. Much of the winter killing which occurs is quite independent of the condition of the crop at the beginning of the year, and is the result of alternate thawing and freezing in the late winter and early spring.

The greatest winter wheat crop of the United States was that sown in 1930 and harvested in 1931, when large acreage, excellent fall condition, minimum winter killing and high average yield on harvested acreage combined to give a crop of 817,000,000 bushels, and the smallest of recent years was that harvested in 1933, with only 351,000,000 bushels. In 1934 the winter wheat crop of the United States was 55,000,000 bushels larger than in the previous year, and was accompanied by an extremely low yield of spring wheat, which made total production the smallest in many years.

Lack Moisture

Prospects are considered to be much poorer over a good deal of the winter wheat area than the condition report of 77.8 per cent would indicate, owing to deficiency of subsoil moisture in regions which have been afflicted by drought, and it will take exceptionally good growing conditions in the spring to offset that condition. Conditions in that respect, however, are much worse in the spring wheat area of the northwestern states

U.S.A. Lifts Duty on Canadian Hay

Lifting of the import duty on Canadian hay is announced from Washington. United States officials estimate that 300,000 tons of roughage will be imported from the Prairie Provinces.

Along with the announcement of duty cancellation, the administration issued a list of prices which will be paid, as follows: wheat straw, $1.75; oat straw, $2.25; upland prairie hay, $7.50; prairie hay, $6; alfalfa, $10.50; timothy, $8.50, and grain hay, $7.50. To these prices will be added freight costs on both sides of the border; $2 a ton for baling, 50 cents a ton commission to Canadian dealers; 50 cents a ton for the distribution agency, and a service charge of not more than $1.50 a ton to local handlers.

Public Utility Earnings

Twin City

Eleven mos. end. Nov. 30:	1934 $	1933 $
Gross revenue	7,623,443	7,269,222
Oper. expenses	5,585,745	5,689,651
Net revenue	2,037,698	1,579,571
Less: Taxes	804,773	613,765
Operating income	1,232,925	965,806
Add: Non-oper. inc.	76,308	90,757
Gross income	1,309,233	1,056,563
Less: Int. on funded debt & misc. debits	1,124,060	1,127,858
Net income	185,173	*71,295

*Loss.

Say McFarland Attack Not Supported By Facts

Grain Operators Report Plenty of Export Grain Available — Say Elevators Did Not Hold Wheat

From Our Own Correspondent

WINNIPEG.—Last week's statement by John I. McFarland in criticism of terminal elevators for continuing to hold wheat instead of delivering it on the December contract in advance of the closing of navigation, has resulted in much controversy in grain trade circles. In the course of an interview Mr. McFarland said:

"Navigation did not close until December 12, and had wheat been available on a basis of December option values, many more steamers would have been chartered, and further large quantities would have been moved to eastern ports where it would have been available for export during this winter. The facts, are however, that the terminal elevator operators who had hedged their wheat for December delivery, deliberately refrained from making delivery to buyers until after navigation had closed. In fact the first deliveries were not made until last Saturday, December 15, notwithstanding the fact that they were, and still are, holders of large stocks in their store houses.

"Can any other conclusion be reached other than the one that they are more interested in retaining wheat for storage earning purposes than they are in facilitating its movement into consumptive channels?"

Storage Not Export

The evident facts are that terminal elevators did not deliver wheat on the December contract until after navigation closed. Since then substantial deliveries of No. 2 wheat have been made through the clearing house, but of no other grade.

Since deliveries began there has commenced a switching movement by rail of some of this wheat from some elevators at Port Arthur to other elevators there, indicating that a substantial part of the demand that existed for such wheat, instead of being for immediate export or for movement east, was for continued storage at the head of the lakes.

As at December 7, there were in store at the head of the lakes 53,558,670 bushels of wheat, or seven million bushels less than at the same period last year. In country elevators there were nine million bushels less wheat in storage than a year ago, and this in spite of the fact that the visible supply of Canadian grain was 254,000,000 bushels or 11,000,000 bushels less than a year ago.

There was thus an increase of 27,000,000 bushels of wheat carried elsewhere than in terminal elevators at the head of the lakes and in country elevators. Most of that increase was in eastern elevators, and in lake boats alongside elevators, where altogether at December 7, some 70 million bushels of wheat were in store. That is a quantity sufficient to take care of all probable exports from the East until navigation is again open on the lakes, especially in consideration of the fact that a large percentage of the country's wheat exports are likely to go out from Vancouver during winter months.

It is felt therefore than no charge of impeding the export of wheat can lie against the elevator operators. In fact their operations in storing grain during recent years have been in accordance with the policy of the government agency, and their hedging transactions have frequently been made in agreement with that agency.

Only Small Part Affected

If the elevator operators have chosen to keep grain that was bound to be stored in any event on this continent in their own elevators, rather than to facilitate its storage elsewhere, it is felt no one has a right to object, although the owners of elevators in the East would naturally prefer to have storage earnings accumulate there rather than in the West.

It is further pointed out that the only grain in question is the two northern in store at the head of the lakes, which constitutes only about seven per cent of the Canadian visible supply, and that not only are large quantities of this grade available at every point from which exports may be made, but it is actually going begging at Vancouver.

There are rumors that some market operators were disappointed in the action of the terminal elevators in making deliveries on the December contract. It was known of course that elevator companies were doing most of their hedging in May, in which month it was understood the government agency was a very extensive holder, having switched hedges with the elevator companies to enable them to continue to hold wheat.

But the elevator companies could not transfer all their hedges to the spring month, and would have to keep themselves in a position to sell wheat according to requirements up to the close of navigation. Market spreaders would buy December futures, and sell the May against such purchases, in the hope of seeing the spread narrow through later adjustments, but in some cases, it is believed, instead of closing their transactions advantageously have had to take delivery of grain, and have incurred the risk of having to pay full storage charges on it for some time.

LUMBER INDUSTRY EXPECTS RECOVERY DOMESTIC DEMAND

(Continued from page 9)

many desirable sizes and grades could not be procured. Output during the coming winter, in all the provinces, will not be much more than enough to balance current and prospective orders, so that stocks will not be built up disproportionately.

U. K. Market Hesitant

According to recent advices, one of the outstanding features of the United Kingdom market is the hesitancy of importers in making forward purchases for 1935. It seems to be taken for granted that Canadian imports will be larger next year, or at least will not diminish. The general clearing out of Swedish and Finnish balances, especially in lower grades, which has been in progress for some time, has improved the situation somewhat as far as present stocks are concerned, but the danger of over-buying and the uncertainty as to what prices will rule next season are introducing a decided element of speculation into present purchasing decisions.

The aim of the United Kingdom importers is to keep prices up and avoid a recurrence of prevailing conditions in the autumn of 1935. Factors in the Anglo-Canadian situation are the uncertainty as to what further extent Canadian woods will replace European for building and other purposes in the near future, availability of these woods for all-the-year-round delivery, and the fluctuations in values and exchange.

Some of the encouraging features with respect to the building situation in Canada during the coming year are the lower interest rates, freer mortgage money, and the probable repeal of Moratorium Acts, which have deterred many persons from advancing money on real estate. Its abolition has been called for by lumbermen in all parts of Ontario.

As far as the overseas market is concerned, late advices are to the effect that prospects are not quite as bright as they were a year ago. Buyers maintain that owing to there being no fixed rate of quotations just now, they do not feel disposed to enter into any contracts. There is a consensus of opinion as to the wisdom of holding off from a forward market until it is definitely known how matters will shape up during 1935.

Trade Figures

Statistics are always interesting in that they represent in concrete form the state of trade year after year. The first ten months of 1934 witnessed an all-time record by volume in the waterborne lumber shipments of British Columbia which, it is believed, will be considerably higher than the 1929 record of 801 million feet. The chief increases during the last few months have been to the United Kingdom, China and Australia.

While official statistics for 1934 are not to hand, it is believed that shipments of spruce from Eastern Canada to the United Kingdom have been about 250,000,000 feet, and as far as pine is concerned, some 20,000,000 feet, all being from the Maritime Provinces, Quebec and Ontario.

New Appointment

With the recent appointment of an Eastern Canadian lumber commissioner in Great Britain, the prospects of increased overseas business are considered excellent. L. L. Brown, B. C. lumber commissioner to Great Britain, during the past few years had achieved much in making Coast woods more widely known and appreciated in the Mother Country. Now that Eastern Canada, early in 1935, will be similarly represented, exporters of Nova Scotia, New Brunswick, Quebec and Ontario believe that the marketing of their product will be greatly facilitated by a live extension campaign and an efficient promotion service.

Plant Many Trees

Tree planting in Alberta has been undertaken on an extensive scale, and more than 100,000 white spruce trees and some 8,400 green ash will be available for distribution next spring from the provincial nurseries at Oliver.

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Wk. Yr. Ago bu.
Canadian Wheat in Store:			
Fort William, Dec. 21	53,150,974	54,331,946	62,345,074
Country elevators, Dec. 14	99,541,636	97,316,885	105,903,431
Total, all points, Dec. 14	255,171,093	255,210,068	243,433,201
World Shipments, incl. flour:			
North American, Dec. 15	1,887,000	2,292,000	3,361,000
Argentine, Dec. 22	1,680,000	1,546,000	1,629,000
Black Sea,* Dec. 22	64,000	72,000	1,603,000
Australian, Dec. 15	1,236,000	1,729,000	1,125,000
Total, world, Dec. 15	6,409,000	8,322,000	8,912,000
Visible Stocks, Dec. 15:			
Canadian	140,669,000	140,477,000	128,919,000
United States	90,294,000	90,996,000	127,174,000
Argentine	11,389,000	11,757,000	8,818,000
Australian	8,240,000	10,000,000	8,240,000
Country Marketings and Exports†			
Canadian exports, Dec. 14	1,555,877	1,997,915	1,382,697
Cum. to Dec. 14 (20 weeks)	56,990,151	55,434,274	72,699,750
Country marketings, (Dec. 7)	2,983,880	3,725,633	3,250,295
Cum. to Dec. 7 (19 weeks)	164,515,222	161,531,342	154,635,464
Country deliveries, Dec. 21‡	2,839,000	3,153,000	1,994,000
Country loadings, Dec. 21‡	2,505,000	2,723,000	1,586,000

* Includes South Russia. †Excluding flour. ‡ Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to December 24

Crop year from Aug. 1, 1934 High	Low		Open Dec. 18	High for eek	Low for week	Close Dec. 24
		Wheat				
.97	.74⅛	December	.78	.78⅛	.76⅞	.78
1.00⅛	.79⅞	May	.83	.83¼	.82¼	.82⅞
.86¾	.82⅛	July	.83⅞	.83⅞	.82½	.83⅜
		Oats				
.47⅜	.38½	December	.42	.42½	.41¾	.42⅛
.49⅝	.39¾	May	.43⅞	44¼	.43⅝	.44
.45⅞	.42¾	July	.44⅛	.44⅛	.43⅝	.44
		Barley				
.63¾	.49	December	.54⅝	.55⅛	.54	.54¼
.65	.50¾	May	.57⅛	.57⅛	.56⅜	.56⅝
.60½	.53⅜	July	.56¾	.57⅜	.56⅛	.56⅜
		Flax				
1.74¾	1.19	December	1.40	1.44	1.40	1.42¼
1.73½	1.28	May	1.44½	1.45⅛	1.43¾	1.45½
1.46¾	1.40	July	1.44⅜	1.45¾	1.43½	1.45¾
		Rye				
.77	.51¼	December	.58⅜	.59⅛	.57⅝	.59
.80½	.55½	May	.62¼	.62¾	.61¼	.62¼
.66⅜	.59⅝	July	.62⅞	.63⅜	.61⅞	.62¾

Wheat Prices

(Cash Quotations)

	Aver. for week Dec. 15 $	Previous week $
At Winnipeg:		
No. 1 Hard	0.805	0.817
No. 1 Northern	0.792	0.798
No. 2 Northern	0.756	0.765
No. 3 Northern	0.727	0.739
No. 4 Northern	0.696	0.702
No. 5 Wheat	0.675	0.699
No. 6 Wheat	0.675	0.711
Feed Wheat	0.667	0.706
At Vancouver:		
No. 1 Northern	0.795	0.802
At Toronto:		
Milling Wheat	0.930	0.950
Competitive Export Prices: (Dec. shipment:	High Week to Dec. 21	Low
No. 1 North. (Vanc.)	.95⅜	.93⅜
No. 2 North. (Atlan.)	.93⅜	.91⅜
No. 2 North. (Vanc.)	.87⅜	.88
Argentine, Rosse	.65⅜	.62⅜
Do., Barusso	.67⅜	.63⅜
Australian	.68	.65⅜
West Australian	.71⅜	.70⅜
French	.57⅜	.57⅜

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Frank Prendergast —

"Assistant to President" Interpreted As Commercial Ambassadorship For Imperial Oil

By WELLINGTON JEFFERS

In appointing Frank W. Prendergast "Assistant to the President" of Imperial Oil, G. Harrison Smith, (president), and the directors, have surprised nobody. Though that particular title may have occurred to few people it so obviously fits Frank and the services he is so well equipped to render to the organization, that one's natural thought is, "I expected it."

When "Vic" Ross died last winter and left a great gap in the directorate, the places on the board were soon filled by very capable executives, but what the friendships and personality and wit and savoir faire of "Vic" Ross had meant to the far-flung interests of Imperial Oil could not be filled that way. Frank must then have looked to the directors like an answer to prayer. In fact, the present writer understands that Vic Ross himself chose Frank some six or seven years ago with the idea in his mind, "here is the ideal chap to do my work some time when I am gone or retired."

Specializes in People

Frank is a spiritual son of Vic. Vic was physically rotund and short while Frank is tall, slender and dark. Their manners, mentalities, ways of talking and writing and dealing with problems are different, their life experiences were arrived at through different channels and yet they were of the same essence, cut off from the same eternal fabric. Just as Vic was, Frank is warm-hearted and intensely interestted in human beings, not in the mass, but one by one as he meets them. Freud would probably say if Frank were passed under his psycho-analytic microscope, "Being happily married and having four handsome, clever youngsters, this man has his personality released to an extraordinary degree to feel the passion of friendship. His mind is not turned in on himself and his greatest and most genuine interest will be in the people he meets from day to day."

Frank was born in Montreal, his father was a doctor of medicine. He grew so fast and looked so much older than his years that he was able to get a position on the staff of the Montreal Star while he was still in his teens. They never found out that he was not an adult (his intelligence quotient being always very high) and he continued his career later on the Montreal Mail, the Toronto Mail and Empire, on Consolidated Press, in advertising agencies, as advertising manager for Ford Motor Co. of Canada, and finally advertising manager of Imperial Oil.

What Job Entails

Business life in Canada today boasts a number of successful executives who under happier auspices might have starved for decades while awaiting recognition of their genius as poets, artists, actors, musicians or writers. They will, therefore, not hold it against Frank Prendergast that he is exceedingly fond of drama, poetry and the arts. They know that such innate capacities do not unfit him for business. In drama he favors the Arts and Letters Club many varieties and the human comedy, in poetry he is so much ahead of the modernists that he has anticipated a returning vogue for the great Victorians by a love for Tennyson beyond all other poetic loves and as for the arts he must be fond of them. The evidence is that he knows so many artists and so many of them have sought to sketch or paint his striking lineaments. Some of them have succeeded; the cut accompanying this article is from a recent sketch by J. E. Sampson.

G. Harrison Smith, dynamic president of Imperial Oil, wants that company to mean something more to the Canadian public than a financial statement once a year. So do the other directors. They want it to be profitable first of all, of course, because without profits no company can be anything long or do anything permanently in the way of satisfying customers and advancing the interests of employees.

Oil (as gasoline, fuel oil and lubricating oil) has so seeped through into the fabric of modern life that it is a job of national scope to interpret to the company all that is happening in every part of the Dominion, and to the public what the company is doing or intends to do. The new position is not a job, as some suspect, of dragooning the censorious, or crackling the advertising whip. Those tactics belong to the dark ages of journalism. It is really an interpretative job both ways, and it can only be successful so long as both sides feel the other side is playing fair.

Dislikes "Guff"

Occasionally a very serious-minded man will not understand Frank. He may think Frank dilettante, be-

FRANK PRENDERGAST

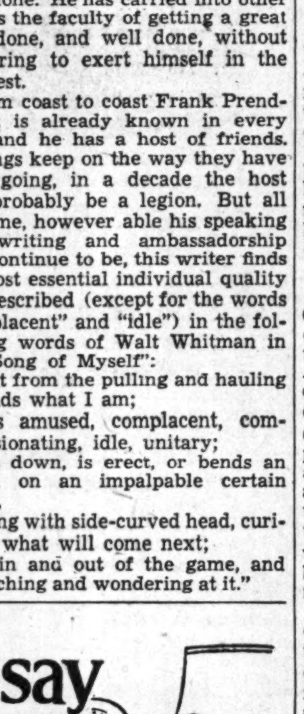
cause he does not jut his jaw and make a point of looking intense; such a man may think Frank does not take himself or his position seriously enough and will not wholly understand one who seems to draw a fund of inexhaustible merriment out of the human scene. Most men will like it because Frank does not laugh at men themselves but at the things he and they do and by his manner invites them to laugh with him. He is more than mildly cynical about "guff" when he encounters it in advertising or salesmanship. He is one of the three best after dinner or any time amateur speakers in Toronto, but never gives a "pep" talk or a "sales" talk or a statistical exhibit masquerading as eloquence. In an age suspicious of oratory he is refreshing; he never "orates" or "puffs," and he never goes "on and on and on and——on."

When he was on a newspaper, Frank had developed a most enviable speed on a typewriter. With his eyes fixed dreamily on the far distance he seemed to have left his fingers to work the typewriter of themselves. For page after page the carriage would fly backward and forward without cessation. Though his eye seldom glanced at the paper or the keys the resultant copy would be without error or need of emendation. Above all, it was always eminently readable and well done. He has carried into other realms the faculty of getting a great deal done, and well done, without appearing to exert himself in the slightest.

From coast to coast Frank Prendergast is already known in every city, and he has a host of friends. If things keep on the way they have been going, in a decade the host will probably be a legion. But all the time, however able his speaking and writing and ambassadorship may continue to be, this writer finds his most essential individual quality best described (except for the words "complacent" and "idle") in the following words of Walt Whitman in his "Song of Myself":

"Apart from the pulling and hauling stands what I am;
Stands amused, complacent, compassionating, idle, unitary;
Looks down, is erect, or bends an arm on an impalpable certain rest,
Looking with side-curved head, curious what will come next;
Both in and out of the game, and watching and wondering at it."

"What I say when I talk to myself"



(A Soliloquy)

"Of all the things I own, nothing has held up as well as my life insurance.

"Helen and I will have a comfortable income on which to retire; and if I should die before that, there will be ample provision for her and the children. If I live or die, there will be ample funds. There is nothing to beat life insurance as the backlog of an estate."

* * *

YOU also may attain this happy position with London Life co-operation. *The London Life is presenting a Financial Independence plan which combines in one document protection for dependents and provision for retirement.*

Ask any of the Company's representatives for particulars to suit your circumstances.

Established 1874

London Life Insurance Company

"Canada's Industrial-Ordinary Company"

HEAD OFFICE • LONDON, CANADA

Insurance for Buyer and Seller

LIFE INSURANCE MAKES PROGRESS IN PAST YEAR

Increased Business and Decline in Loans and Surrenders is Noted

MANY CHANGES

Although monthly sales figures of new paid for ordinary business among life companies in Canada shows the total to date to be at the same level as a year ago, life companies expect total new business during the year to be from 5 to 10 per cent above 1934, The Financial Post learns. Business in force is expected to be actually higher than at the end of 1933. In the two previous years declines of from 2 to 3 per cent have been experienced.

Largest actual gains over last year have been made in the field of group insurance. One company estimates total sales of new group business may actually increase 50 per cent over the 1933 total. There will also be a marked increase in group business in force due to the large number of lives added to old policies and a decrease in the number of cancelled lives resulting from improved business conditions.

New group insurance placed in Canada has run as high as $77,000,000 annually in good times. In 1933 the low point for the past decade was reached when total sales were $13,349,000, according to official figures of the federal insurance department. The 1932 total was $16,590,000.

Industrial insurance has also had a slightly better year, the elements of higher payrolls and increased working hours among Canadian wage-earners giving somewhat more confidence.

Annuity Sales Soar

Ordinary business in Canada according to monthly sales figures of the Sales Research Bureau is currently on a par with 1933. To this must be added the very substantial volume of annuity and pension business which has been a feature of 1934 underwriting in Canada, but which is not included in the Sales Research figures. Almost every Canadian company has shared in this business which formerly was confined to only one or two leading underwriters.

Policies have ranged all the way up to a $1,250,000 cash payment made during the year by an American citizen who wished to buy an annuity in a company operating under Canadian jurisdiction. So great was the flow of money in this direction during the year that many companies imposed definite limits on the amount of annuity money they would accept. Nearly all companies raised their annuity rates during the year or announced increases to take effect in 1935, to match the decline in interest earnings on the high grade investments.

Policy Loans Fewer

Another important trend of 1934 was the definite falling off in demand for cash surrender values on the part of policyholders. Disbursements on this score have been definitely less than in 1933, possibly as much as 15 per cent.

Improvement has also been noted in policy loans outstanding. The high point in volume of loans made was in the last half of 1932 when over $60,000,000 was disbursed by federally licensed companies and the total of loans outstanding was over $295,000,000. The experience of the first half of 1934 would indicate that demand for loans has fallen off by as much as one-third while the total of loans outstanding has also been reduced although not to such a degree.

Many Rate Changes

To policyholders a highly significant trend of 1934 was the very general change in rates, policy contracts and so forth during the year. At least a dozen leading Canadian companies announced rate changes during the year, the most important of which was an increase in non-participating rates and in annuity and pension rates; some companies announced lower dividend scales while others put into effect important revisions of plans and policies with a view to reducing the "spread" between the initial premium cost of their par and non-par contracts.

The reduction in dividend scales on participating policies that has taken place in recent years undoubtedly increased the trend toward non-par insurance which has been an important feature of underwriting on this continent in the past few years.

Behind most of these changes was the immediate urge of lower interest earnings. With Canadian high grade bonds selling at the highest prices in a generation all companies have been forced to take very careful stock of their position and bring into line rates and policy conditions.

Metropolitan Life Increases Ordinary Rates 6½ Per Cent

Metropolitan Life has announced that on January 1 it will adopt an interest rate of 3 per cent for computing premiums and reserves on new ordinary policies. Heretofore, the company has used a 3½ per cent basis.

The effect will be an increase in premium rates, averaging about 6½ per cent. Policies issued prior to January 1 will not be affected.

"For some time, due to prevailing conditions," the company states, "the rate of interest return has been decreasing. Coincident with this, there has been a scarcity of new suitable investments similar to those obtainable in the past and this situation may extend over a considerable period of time."

A few other minor changes have been made; for instance, the suicide clause has been changed from one year to two years except in two states where the law limits it to one year.

Double Indemnity

Premiums for the double indemnity benefit will hereafter vary with the age at issue instead of being constant for all ages as at present. These premiums in general will be lower at the young ages than the present premiums, but higher at the older ages. Instead of charging twice normal and three times normal premium for the hazard involved under certain occupations the scale of premiums will be one and one-half times normal and two and one-half times normal, thereby giving the applicant in many cases a slightly lower rate.

Occupational Ratings

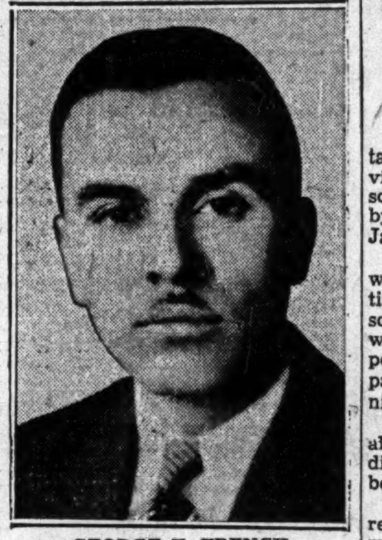
Certain changes have been made in the occupational ratings in a general endeavor to keep these ratings as close to current conditions as possible. Most of these changes produce more liberal ratings than were previously in effect.

Three New Insurance Plans

The company has prepared three new plans of insurance: a family protection policy, a new and improved educational fund policy and a retirement income policy. It is felt that these new special forms will meet present day insurance needs better than the modified endowment with life option, life premium reduced, convertible limited payment life, endowment at 85 with increased indemnity and the present child's educational fund policy; which plans are therefore discontinued.

Coincident with these changes all policy contracts have been revised, phraseology improved and the policies made more adaptable to present day conditions and to insurance programmes

Heads Montreal Agents



GEORGE F. FRENCH

Recently elected president of the Life Underwriters' Association of Montreal, a division of the Montreal Board of Trade. Mr. French is manager of the life department of Irish & Maulson, Ltd.

Premium Rates Prudential of U.S. Rise January 1

New ordinary policy forms containing changed non-forfeiture provisions based on a slightly higher scale of premium rates will be used by the Prudential of America after January 1, it has been announced.

Cash surrender and paid-up values will be sometimes greater and sometimes less than under the present scale. Extended insurance periods will be generally greater. The period for deferment of cash value payments will be increased from ninety days to six months.

The guaranteed rate of interest allowed on policyholders' funds and dividends left with the company has been reduced to 3 per cent.

Rates for single premium life and refund annuities and for the retirement annuity have been moderately increased due to the use of a lower rate of interest. Cash values under the retirement annuity have been moderately reduced.

Century Indemnity Co. Increases Capital, Surplus

Directors of the Century Indemnity Company, the casualty and surety subsidiary of the Aetna (Fire) Insurance Company, recently voted to increase the capital of the company by $200,000, raising it from $800,000 to $1,000,000, at the same time paying in $800,000 to surplus as premium on the new stock. The additional $1,000,000 will be paid by the Aetna Fire

Purpose of the Aetna in thus building up the financial structure of its casualty running mate is to increase its scope for the business it is doing. When the financing is completed, the Century will have a surplus in excess of $1,250,000 and capital at $1,000,000.

Ontario Nov. Fire Loss Lowest Since Sept., 1918

Recording the lowest fire loss since 1918, November fire losses in Ontario were reported this week by the Ontario Fire Marshall at $476,275. This figure compares with an average of close to $900,000 for the first ten months of the year. No large fires were recorded during the month. Losses in November a year ago totalled $787,594.

Losses in Ontario for the first 11 months of 1934 amount to $9,366,437 as compared with $10,263,639 during the corresponding period of 1933. The number of fires is also lower at 14,158 compared with 14,345.

Metropolitan Life Sets Convention Dates

The Metropolitan Life will hold its annual convention of Metropolitan managers at the home office for three days on January 31 and February 1 and 2. Although the time of the convention is earlier than in 1933, it conforms to the original practice of holding the meeting near the end of January or early in February.

Over 800 managers from the United States and Canada are expected to attend and there will also be invited certain leading assistant managers and agents.

Licenses Issued

During the past week certificates of registry have been issued to the following companies authorizing them to transact, in Canada, the classes of insurance, as listed:

Essex and Suffolk Equitable Insurance Society Ltd.: Earthquake insurance and falling aircraft insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Atlas Assurance Co.: Earthquake insurance and falling aircraft insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Springfield Fire and Marine Insurance Co.: Earthquake insurance and falling aircraft insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Caledonian Insurance Company: Earthquake insurance, falling aircraft insurance, hail insurance and riot and civil commotion insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

General Insurance Co. of America: Earthquake insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

First National Insurance Co. of America: Earthquake insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Compagnie Francaise du Phenix: Falling aircraft insurance, hail insurance, riot and civil commotion insurance, sprinkler leakage insurance and tornado insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

National Provincial Insurance Co.: Earthquake insurance, falling aircraft insurance, hail insurance and riot and civil commotion insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

The Royal Exchange Assurance: Earthquake insurance and falling aircraft insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Foreign Exchange Markets

COMPARATIVE steadiness of sterling at a slight premium in the United States is considered an indication that British authorities may take some steps toward stabilization of the pound in 1935. Neville Chamberlain, British chancellor of the exchequer, last week indicated that one of the barriers to stabilization is overvaluation of the franc in terms of French prices and undervaluation of the United States dollar. While this condition exists, Britain may remain on the sidelines with a makeshift sterling bloc stability.

Resumption of a gold standard in order to stabilize currencies and facilitate international trade and finance, even on a temporary basis subject to adjustment, may be a major factor in international recovery in 1935.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Dec. 18	Dec. 19	Dec. 20	Dec. 21	Dec. 22
U. S. dollar, High	.5906	.99	.99 1/16	.99 1/16	.99 1/32	.99 1/32
Low	.5906	.98 31/32	.98 31/32	.99	.99 1/32	.99
1933 High	1.000	.99⅛	.99⅝	.99 15/16	.99 15/16	.99¾
Low	1.000	.99 1/16	.99¼	.99⅝	.99⅞	.99 15/16
U. K. pound	4.8665	4.90	4.90	4.89½	4.89½	4.90
Argentina	.4246	.2474	.2477	.2469	.2477	.2482
Australia	4.8665	3.8972	3.8970	3.8930	3.8931	3.8970
Austria	.1407	.1870	.1875	.1872	.1870	.1869
Belgium	.1392	.2322	.2321	.2318	.2320	.2318
Brazil	.1963	.0673	.0678	.0678	.0678	.0678
Czechoslovakia	.0296	.0415½	.0418	.0414½	.0414½	.0414
Denmark	.2680	.2188	.2189	.2186	.2186	.2185
France	.0392	.0654	.0654½	.0653	.0654	.0653
Germany	.2382	.3986	.3895	.3992	.3984	.3983
Greece	.013	.0093¼	.0093½	.0093¼	.0093¼	.0093¼
Holland	.4020	.6704	.6705	.6701	.6703	.....
Hungary	.1749	.2944	.2951	.2950	.2952	.2951
India	.3650	.3716	.3720	.3714	.3712	.3716
Italy	.0526	.0847½	.0848	.0847	.0847	.0847¼
Japan	.4985	.2885	.2887	.2886	.2887	.2886½
Jugoslavia	.1929	.0226	.0226¼	.0226	.0226¼	.0226
New Zealand	4.8665	3.9128	3.9125	3.9086	3.9087	3.9125
Norway	.2680	.2461	.2464	.2450	.2459	.2459
Poland	.1122	.1875	.1880	.1877	.1876	.....
South Africa	4.8666	4.8890	4.8887	4.8237	4.8837	4.8887
Spain	.1929	.1356	.1356	.1355	.1356	.1355
Sweden	.2680	.2526	.2527	.2523	.2524	.2524
Switzerland	.1930	.3214	.3212	.3209	.3211	.3209
Hong Kong	.5422	.4206	.4209	.4222	.4195	.4210

Lloyd's Applies For B. C. License

Application for license of Lloyd's of London has been received by the British Columbia insurance department and study of the act reveals that the B.C. act contains the same clause as that in the Ontario act which allows Lloyd's to be licensed without the necessity of making a deposit.

An effort will be made to fight the application, according to the B.C. Insurance Bulletin. Stressing the fact that stock companies have to post deposits before commencing business in Canada, the Bulletin recalls the uses of this deposit in the "Globe & Rutgers" case.

Obituary

George Edgar Martin, solicitor for the Union of B.C. Municipalities, died recently at New Westminster, B.C. He was born in Woodstock, Ont., in 1862, practised in Hamilton until 1897, when he went to British Columbia.

LIFE ASSURANCE is the best investment

A man can create an estate for himself of $1,000, $2,500, $5,000, $10,000, or more — all dependent upon his position, income and prospects.

Through SUN LIFE assurance he can be sure of reaching his objective within a specified time, with safety and without loss or impairment of principal.

If death should intervene, life assurance will do what no other investment can guarantee. It will make the full intended principal available at once for his family and will carry through the programme that he planned for them.

There's a SUN LIFE policy for every need and expert advice is available on request.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE MONTREAL

Majority Fire Classifications Experience Better Last Year

Aggregate Experience Shows Considerable Improvement — Sawmills and Lumber Yards Appear Much the Poorest Risks

Lower fire loss in 19 of the 27 classifications for which returns are analyzed by the Dominion insurance department is reported for 1933, according to figures received by The Financial Post this week. Net premium income in 1933 totalled $43,225,576 and ratio of losses incurred on this basis for all classes of risk was 52.81 per cent, the best experience in the past five years.

Dwellings in protected cities and towns, the second largest individual group, shows increased losses in 1933. In all, eight groups with aggregate premiums of around $12 millions and losses of close to $7 millions, show higher loss ratios in 1933. The aggregate premiums of the 19 groups which show lower losses were $30 millions, losses being in the neighborhood of $15 millions.

Retail Risks Improve

Average loss ratio for the five years 1929-1933 was 57.83 per cent which compares with 52.81 in 1933 and 64.33 in 1932.

Chief groups for which better experience was obtained are retail mercantile risks with a premium volume of nearly $9 millions, dwellings in unprotected towns, sprinklered risks of all kinds and miscellaneous short-term risks.

In only one group is loss ratio above 100 per cent in 1933, this being sawmills. Experience on this type of risk has been very poor over the past five years, the average for sawmills being 107.71 per cent. Lumber yards rank close to sawmills among the poorest risks, the loss ratio in 1933 being 92.54 per cent, and 82.70 for the five-year period.

Detailed premium and loss figures for each separate classification for 1933, together with corresponding ratios for 1932 and the five year average are shown below. The following table also analyzes experience for Canadian, British and foreign companies:

CLASSIFICATION OF FIRE INSURANCE RISKS IN CANADA, 1933

(A) By Type of Company

	Canadian Cos. Net Premiums *Written $	†Ratio %	British Cos. Net Premiums *Written $	†Ratio %	Foreign Cos. Net Premiums *Written $	†Ratio %
Dwellings—in protected cities, towns and villages	1,872,478	45.09	3,900,381	54.21	2,562,101	57.70
Dwellings—in unprotected cities, towns and villages	698,999	73.65	1,369,067	82.74	793,800	93.72
All other dwellings and farm prop.	1,266,263	61.02	853,057	94.36	372,142	106.41
All other two and three year risks	562,684	54.70	1,042,019	88.77	739,321	80.49
Mercantile risks, w'sale stores	177,240	72.47	438,683	67.05	500,097	39.10
Mercantile risks, retail stores	1,608,134	56.14	3,361,761	52.89	3,900,160	55.71
All other mercantile risks	209,298	27.18	488,856	23.01	293,489	36.04
Breweries and malt houses	15,447	15.62	51,981	15.61	51,157	3.18
Boot and shoe factories	5,354	13.84	16,740	25.45	13,577	30.07
Canning factories	27,892	3.35	90,087	3.77	77,946	4.06
Confect. and biscuit factories	24,170	12.56	20,245	70.04	16,476	34.83
Flour and oatmeal mills	29,497	6.09	87,482	26.85	69,792	35.41
Grain elevators	586,708	15.27	343,812	20.26	234,086	20.54
Laundries	22,785	17.89	64,935	26.87	39,718	14.62
Sawmills	28,016	76.77	151,245	163.17	281,534	80.14
Lumber yards	43,741	102.32	167,533	106.59	314,522	83.69
Machine shops	92 288	27.62	190,206	36.80	225,344	25.47
Mining risks	58,414	34.93	326,696	28.82	196,155	32.56
Pork packing and curing	9,222	5.36	32,596	11.67	36,960	41.17
Pulp and paper mills	21,977	96.17	71,275	126.52	51,128	22.73
Street car barns	18,113	17.00	107,260	15.84	62,637	10.51
Tanneries	2,855	216.22	8,869	3.29	9,268	2.29
Wood-working factories	62,422	46.54	167,339	58.11	231,748	65.23
Woollen and knitting mills	7,204	53.58	20,399	48.97	17,035	54.44
All other manufacturing risks	327,421	34.28	827,498	35.52	771,806	37.55
All other 1 year and short term risks	1,115,537	41.85	2,752,728	43.56	2,382,697	45.65
Sprinklered risks	302,863	35.58	1,540,369	26.60	1,274,945	27.70
Totals, 1933	9,197,022	48.85	18,493,119	54.14	15,535,435	53.56
1932	9,605,804	56.54	20,482,004	61.01	17,956,050	72.29

*Registered reinsurance deducted.
†Ratio, net losses incurred to net premiums written.

(B) All Companies

	Net Premiums Written* 1933 $	Net Losses Incurred* 1933 $	Ratio net losses inc. to net premiums earned 1933 %	1932 %	5 yr. av. %
Dwellings, in protected cities, towns and villages	8,334,960	4,437,120	53.24	51.27	47.39
Dwellings, in unprotected cities, towns and villages	2,861,866	2,391,534	83.57	87.49	74.75
All other dwellings and farm properties	2,491,462	1,973,651	79.22	91.91	85.35
All other two and three year risks	2,344,024	1,872,860	77.98	35.19	54.76
Mercantile risks, wholesale stores	1,116,020	618,149	55.39	53.82	68.77
Mercantile risks, retail stores	8,870,055	4,853,723	54.72	64.56	57.45
All other mercantile risks	991,643	275,127	27.74	33.72	42.01
Breweries and malt houses	118,585	12,154	10.25	6.48	26.50
Boot and shoe factories	35,671	9,085	25.47	146.36	107.40
Canning factories	195,925	7,490	3.82	15.76	35.45
Confectionery and biscuit factories	60,891	22,954	37.70	15.31	56.61
Flour and oatmeal mills	186,771	50,000	26.77	63.51	99.98
Grain elevators	1,164,606	207,320	17.80	42.36	54.29
Laundries	127,438	27,328	21.44	31.51	39.76
Sawmills	460,795	493,914	107.19	123.46	107.71
Lumber yards	525,796	486,557	92.54	207.79	82.70
Machine shops	507 838	152,887	30.11	32.04	47.44
Mining risks	581,265	178,418	30.69	49.55	51.93
Pork packing and curing	78,778	19,516	24.77	30.81	28.14
Pulp and paper mills	144,380	122,929	85.14	47.45	65.57
Street car barns	188,010	26,650	14.17	51.00	52.76
Tanneries	20,992	6,677	31.81	21.45	46.89
Wood-working factories	461,509	277,447	60.12	41.05	59.01
Woollen and knitting mills	44,638	23,123	51.80	85.50	166.67
All other manufacturing risks	1,926,725	696,018	36.12	46.47	56.00
All other 1 year & short term risks	6,250,962	2,753,415	44.05	84.57	59.07
Sprinklered risks	3,118,117	870,618	27.92	46.14	36.13
Totals, 1933	43,225,576	22,826,624	52.81	64.33	57.83
1932	48,043,858	30,906,824	64.33	....	....

*Registered reinsurance deducted.

Head Tariff Associations

ALEXANDER HURRY

Manager for Canada, Northern Assurance Co., recently elected president of the Canadian Casualty Underwriters' Association.

L. C. EVANS

Secretary, London and Lancashire Guarantee and Accident Co. of Canada, recently elected president of the Canadian Automobile Underwriters' Association.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Canadian Millers Mutual

Can you give me some information regarding the Canadian Millers Mutual Fire Insurance Co.?

Canadian Millers Mutual Fire Insurance Co. was organized some 55 years ago by a group of Ontario millers in the belief that the rates charged for fire insurance by the regular tariff companies could be bettered.

Excellent experience in its early years enabled the company to build up a substantial cash reserve which has been well maintained until the present time. The company is managed and directed by a board composed of practical millers. In 1932, the last year for which we have complete statistics, the company had 407 policies in force with a total amount and risk of almost $1,500,000. Total assets amounted to $333,721 of which $314,000 was in bonds and debentures.

So far as we know, the company has had a good record throughout its history.

Licenses Issued

Grain Insurance and Guarantee Co.: Fire insurance, burglary insurance, explosion insurance, forgery insurance and guarantee insurance.

Mutual Benefit Health & Accident Association, Omaha, Nebraska: Sickness insurance and insurance against bodily injury and death by accident. Mr. L. F. Flaska, Toronto, Ontario, has been appointed Canadian chief agent of the association.

United States Fidelity & Guaranty Company TORONTO

51 YEARS' EXPERIENCE providing Personal Accident Insurance at Cost

$43,588,032.02 PAID TO MEMBERS

The Commercial Travelers Mutual Accident Association of America

Canadian Office 140 Wellington Street OTTAWA, ONTARIO

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00

Independent Order of Foresters

FRANK E. HAND Supreme Chief Ranger

HEAD OFFICE: TORONTO, CAN.

"Canada's Largest Fire Mutual"

The WAWANESA MUTUAL INSURANCE CO.

HEAD OFFICE—WAWANESA MAN.

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia

FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE LIABILITY DOCTORS AND DENTISTS LIABILITY PLATE GLASS

Insurance in force over $[illegible]

APPLICATIONS INVITED FOR AGENCIES IN ALL PROVINCES

Eastern Offices: 341 CHURCH ST., TORONTO

NORTHWESTERN MUTUAL FIRE ASSOCIATION

SEATTLE WASHINGTON

BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax

HEAD OFFICE FOR CANADA HAMILTON ONTARIO

WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS [illegible]

ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30% ON RENEWAL

CHARTERED ACCOUNTANTS

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

RONALD, GRIGGS & Co.
Chartered Accountants
Winnipeg Saskatoon
(FACILITIES IN ALL PRINCIPAL CITIES)

E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO
15 WELLINGTON STREET WEST OTTAWA TORONTO
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING DECEMBER 22

Range 1934 High	Low	Divd. Rate	Y'ld in $ in % Dec. 20	Stock	Sales	Close Dec. 17 (or last)	Week Ending Dec. 22 High	Low	Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Dividends Declared

	This payment	Date payable	Date of record
[illegible]	[illegible]	[illegible]	[illegible]
So. Can. Power	20c	Feb. 15	Jan. 31
Super. Pet., c., ord.	25c	Jan. 2	Dec. 14
Do., A pref.	1½%	Jan. 2	Dec. 14
Do., B pref.	1½%	Jan. 2	Dec. 14
Steel of Can.	43¾c	Feb. 1	Jan. 7
Do., extra	27½c	Feb. 1	Jan. 7
Do., pref.	43¾c	Feb. 1	Jan. 7
Thrift Stores, pf.	40⅝c	Jan. 1	Dec. 15
Do., 2nd pref.	17½c	Jan. 2	Dec. 15
Teck-Hughes	10c	Jan. 2	Dec. 10
Thayers, pf.	$1.75	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

CANADIAN CAR HEAD FORESEES BETTER TIMES

From Our Own Correspondent

MONTREAL.—Canadian railways will have to come into the market for rolling stock equipment within a reasonable time, according to an opinion expressed by W. W. Butler, president, at the annual meeting of Canadian Car & Foundry Co.

In pointing out that a year ago he said he was an optimist, which is justified by the fact that the company last year has shown an improvement of $125,000 in its operations, Mr. Butler stated that this year he was more of an optimist than at the last meeting. The railroads, he said, will soon have to buy equipment if they are going to continue in business. Whether they will buy next week or next month he could not say, but he was confident of some business within a reasonable time, particularly in view of the fact that the railways have not been buying for four years.

Report Plant Operations

Two of the company's eight plants continued to be shut down during the year, at Fort William and Welland, while the other six are operating at 10 per cent of capacity, a condition which did not permit the company to make a profit.

The question of closing down all the plants has been considered, Mr. Butler said, and after consultation with the railways, the company decided against this step.

To close down the plants would cost about $600,000 a year, he said, for taxes, insurance, watchmen, etc. By operating the plants the company lost $729,000. Moreover, if the plant had been closed, many small contracts would have had to be repudiated and the business would be directed to other channels.

FROST STEEL & W. HAD 1934 PROFIT SALES IMPROVED

Frost Steel and Wire Co. 19th annual report for the fiscal year ended October 31, 1934, had a much more satisfactory year than in the preceding period. Net income was $22,076 as compared with a deficit in the preceding period of $62,308 after depreciation, income tax provision and directors' fees. There was also a profit of $11,220 from securities held. The net result was that the surplus advanced during the year from $581,199 to $616,712.

Consolidated Income and Surplus Account Years Ended October 31

	1934 $	1933 $
Net earnings	29,857	‡70,132
Int. on invests.	6,530	7,824
	36,387	‡62,308
Less: Depreciation	10,466	......
Prov. for taxes	3,500	......
Directors' fees	345	......
	22,076	‡62,308
Add: Prev. surplus	581,199	663,791
Profit from secs.	11,220	1,115
Res. not required	3,150	......
Less: Life insur. c. s. v.	933	403
Inc. tax prior years	......	996
Reserve for conting.	......	20,000
Balance carried for'd	616,712	581,199

‡Deficit after deduction of operating charges, depreciation and reserve for income tax.

All contingencies were met out of the year's earnings and a contingent fund of $20,000 set up in the 1933 statement remains unimpaired.

Alex. L. Page, president and general manager states that conditions indicated some improvement late in 1933, but that the fence industry did not benefit until the opening of the fence buying season in March, 1934. The company, therefore, had some accumulated deficits to overtake from the first four months of the fiscal year.

Working Capital

	1934 $	1933 $
Current assets	729,237	663,952
Current liabilities	52,630	32,024
Working capital	676,607	631,928
Ratio	13.85—1	20.73—1

WANTED
ALGOMA STEEL 5's 1962
A. J. Pattison Jr. & Co. LTD.
Investment Dealers
Est. 1907
304 Royal Bk. Bldg. EL. 5101

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
December 24, 1934

Dominion of Canada Bonds

			Bid Dec. 24	Asked Dec. 24	Approx. Yield	Bid Dec. 19
Dominion	3½	15 Oct. 1935	101.00	101.50	1.69	101.15
Dominion	4	15 Oct. 1935	101.35	101.85	1.75	101.50
Dominion	2	15 Oct. 1936	100.00	100.50	1.72	100.00
Dominion	5	15 Nov. 1936	105.65	106.15	1.72	105.65
*†Dominion	5	1 Mar. 1937	107.35	107.85	1.39	107.65
†Dominion	5½	1 Dec. 1937	110.75	111.25	1.59	111.00
Dominion	2½	15 Oct. 1939	100.00	100.50	2.40	100.00
Dominion	4	15 Oct. 1939	106.50	107.25	2.40	106.50
Dominion	4½	1 Sept. 1940	109.50	110.25	2.56	109.75
Dominion	5	15 Nov. 1941	112.75	113.25	2.87	112.75
Dominion	3	15 Oct. 1942	102.00	103.00	2.61	103.50
Dominion	5	15 Oct. 1943	113.75	114.25	3.14	113.75
Dominion	4½	15 Oct. 1944	110.75	111.25	3.16	111.15
§Dominion	4	15 Oct. '43-45	107.00	107.50	3.02	107.00
Dominion	4½	1 Feb. 1946	110.75	111.25	3.28	111.00
§Dominion	3½	15 Oct. '44-49	102.75	103.25	3.11	102.50
§Dominion	4	15 Oct. '47-52	106.85	107.35	3.29	106.75
§Dominion	4½	1 Nov. '46-56	110.25	110.75	3.39	110.25
§Dominion	4½	1 Nov. '47-57	110.25	110.75	3.45	110.25
§Dominion	4½	1 Nov. '48-58	110.65	111.15	3.48	110.85
§Dominion	4½	1 Nov. '49-59	110.75	111.25	3.52	111.00

Dominion Guaranteed Bonds

			Bid Dec. 24	Asked Dec. 24	Approx. Yield	Bid Dec. 19
xGr. Tr. Pac.	3	1 Jan. 1962	[illegible].50	100.50	2.97	99.50
xCan. N. Ry.	4½	1 Sept. 1951	113.25	114.00	3.41	113.50
*Can. N. Ry.	4½	15 Sept. 1954	102.50	103.25	4.26	103.00
xCan. N. Ry.	4½	1 Feb. 1956	114.25	115.00	3.50	114.25
*Can. N. Ry.	4½	1 July 1957	112.25	113.00	3.66	112.50
xCan. N. Ry.	4½	1 Dec. 1968	103.75	104.75	4.27	104.50
xCan. N. Ry.	4¾	15 June 1955	116.50	117.25	3.56	116.75
Can. N. Ry.	5	1 Feb. 1954	116.50	117.25	3.75	116.50
§xCan. N. Ry.	5	1 July 1969	116.50	117.25	3.31	116.75
§xCan. N. Ry.	5	1 Oct. 1969	118.50	119.50	3.54	118.50
§xM. Harb. C.	5	1 Nov. 1969	118.50	119.50	3.52	118.50

Provincial Government Bonds

			Bid Dec. 24	Asked Dec. 24	Approx. Yield	Bid Dec. 19
Eastern—						
*N. Bruns.	4½	15 Apr. 1961	108.00	109.00	3.92	108.00
*N. Bruns.	5	15 Jan. 1960	115.00	116.00	3.99	114.75
N. Bruns.	5½	15 May 1950	116.00	117.00	3.98	116.25
N. Scotia	4½	15 May 1943	107.00	108.00	3.40	107.00
*§N. Scotia	4½	15 Sept. '47-52	109.25	110.00	3.54	109.00
N. Scotia	4½	15 May 1961	111.25	112.00	3.74	111.00
*N. Scotia	5	1 Mar. 1960	116.25	117.25	3.91	116.25
xOntario	4	1 June 1962	105.00	106.50	3.61	105.00
xOntario	4½	1 Sept. 1944	110.50	112.00	3.05	111.50
Ontario	4½	1 June 1950	109.50	110.50	3.61	110.00
xOntario	4½	15 Jan. 1962	112.00	113.50	3.70	112.00
Ontario	5	15 Oct. 1948	114.00	115.50	3.59	114.00
xOntario	5	2 Dec. 1960	118.50	119.50	3.81	118.00
Ontario	5½	1 July 1946	116.25	117.25	3.66	116.00
§O. H. C.	3½-4-5	1 Oct. 1952	100.50	101.50	2.93	100.25
xOnt. H. C.	4	1 Aug. 1957	105.00	106.25	3.60	104.25
Ont. H. C.	4¾	1 Jan. 1970	112.50	114.50	4.00	112.50
Quebec	4	15 Mar. 1952	104.50	105.50	3.57	104.50
Quebec	4¼	1 Aug. 1958	109.50	110.50	3.58	109.50
Quebec	4½	2 Jan. 1963	112.50	113.50	3.68	112.00
Western—						
*Alberta	4	1 Dec. 1957	95.00	96.50	4.25	95.00
*Alberta	4½	1 Oct. 1956	99.00	100.00	4.50	99.50
*Alberta	5	1 Jan. 1948	101.25	102.25	4.76	101.75
Alberta	5	1 Sept. 1955	101.25	102.25	4.83	101.75
xAlberta	5	1 Oct. 1959	104.50	105.50	4.63	105.00
*Alberta	5½	1 Jan. 1947	105.00	106.00	4.88	105.25
Alberta	6	1 Mar. 1947	107.50	109.00	5.02	108.00
*Brit. Col.	4	1 Dec. 1957	93.50	94.50	4.39	93.50
xBrit. Col.	4½	15 Jan. 1951	98.25	99.25	4.75	98.00
*Brit. Col.	4½	1 Oct. 1953	97.00	98.00	4.66	97.00
*Brit. Col.	5	15 Jan. 1948	99.50	100.50	4.93	100.00
Brit. Col.	5	1 Sept. 1953	99.50	100.50	4.96	100.00
Brit. Col.	5½	1 Feb. 1945	102.25	103.25	5.12	103.00
Brit. Col.	6	15 Feb. 1947	105.25	106.25	5.31	106.00
*Manitoba	4	1 Dec. 1957	96.00	97.00	4.21	96.25
*Manitoba	4½	15 Dec. 1956	99.50	101.00	4.43	100.00
*Manitoba	5	15 June 1954	103.50	104.50	4.65	104.00
xManitoba	5	2 Dec. 1959	106.50	107.50	4.50	106.50
Manitoba	5½	1 Oct. 1955	106.00	107.00	4.97	106.50
Manitoba	6	1 Apr. 1947	108.25	109.25	4.99	108.75
Sask.	4	15 Aug. 1953	89.50	90.50	4.77	90.00
xSask.	4½	2 July 1945	97.00	98.50	4.69	97.50
*Sask.	4½	1 Oct. 1951	95.50	96.50	4.80	95.75
Sask.	5	1 Aug. 1958	98.50	99.50	5.04	98.50
*Sask.	5½	15 Nov. 1946	102.00	103.00	5.17	102.50
Sask.	6	15 Mar. 1952	105.25	106.25	5.44	105.75

Municipal Bonds

			Bid Dec. 24	Asked Dec. 24	Approx. Yield	Bid Dec. 19
*Calgary	5½	2 June 1944	91	94	6.35	84
*Edmonton	5½	1 Nov. 1945	91	93	6.40	91
*Halifax	5	1 July 1961	110	112	4.24	110
Hamilton	5	1 May 1950	109½	111½	4.00	109½
Montreal	5	1 Mar. 1945	102½	103½	4.58	102
Ottawa	4½	1 July 1945	103	105	3.92	103
*Quebec	5	1 June 1959	104½	105½	4.62	104½
Regina	5	1 July 1944	83	88	6.73	83
St. John	5	15 Dec. 1950	107	109	4.22	107
*Toronto	4½	1 Jan. 1955	110	112	3.65	109
Vancouver	5	1 June 1969	94	97	5.18	92
Victoria	5	21 July 1945	94	97	5.38	92
Winnipeg	5	1 Mar. 1944	100	102	4.73	99

† Tax exempt issues. * Payable in Canada and New York.
§ Yield at call price.
x Payable in Canada, New York and London.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
December 24, 1934

INDUSTRIAL STOCKS:

	Bid	Asked
Acadia Sugar c.	3.00	3.20
Acadia Sugar pf.	4.75	5.00
Adirondack St. c.	....	1.00
Allens College pf.	47.50	....
Allens London pf. bonus c.	45.00	....
Allens St. Cath. 7% pf. bonus c.	38.00	....
Allens Toronto 7% pf. bonus c.	20.50	....
Acme F. Dairy pf.	17.50	....
Andian Nat. (Can. Fds.)	38.25	39.50
Atlantic Sugar pf.	100.00	....
B.C. Pulp pf.	8.00	10.00
Can. Dom. Sugar	54.50	55.50
Can. Mach. c.	1.70	2.50
Can. Packers c.	46.50	47.50
Can. Packers pf.	109.00	110.50
Can. Starch c.	11.00	....
Can. Starch pf.	83.00	....
Can. Tea pf.	45.50	55.00
Can. W. & Cable pf. W.W.	58.50	60.00
Can. Indus. A	190.00	....
Can. Indus. B	189.00	191.00
Can. Indus. pf.	149.00	....
Can. Paperboard pf. bonus	4.50	....
Can. Westing.	46.75	48.00
Chase, pf. bonus	23.00	27.00
Dom. F. & S. pf.	71.00	....
Dom. Manuf. pf.	70.50	....
Dom. Woollens c.	.45	1.00
Dunlop Tire pf.	68.00	72.00
East. Dairies pf.	10.00	14.00
Fed. Grain c.	1.50	1.90
Fed. Grain pf.	38.00	39.00
For. Power Sec. pf.	5.00	9.00
Freiman, pf.	60.00	62.00
Gen. St. Wares pf.	40.00	41.00
Goderich Elevator	7.00	7.50
Green. Wire pf.	71.50	....
Guelph Carpet pf.	92.00	94.00
Guelph Carpet c.	12.50	13.50
Harding Carp. c.	2.75	3.25
Hayes Wheels pf.	....	9.00
Highland Dairy c.	3.70	4.15
Highland Dairy pf.	69.00	71.50
Ind. Accept. A	4.00	4.50
Inter City Bak. c.	17.00	18.25
Int. Met. Indust. A pfd.	30.50	35.00
Inter. Paints pf.	15.50	16.50
Loew's Lond. pf.	3.85	4.15
Mansf. Theat. pf.	27.00	30.00
Massey Harris pf.	25.00	25.75
Mercury Mills pf.	8.00	9.50
Morrow Screw pf.	88.25	....
Mt. Royal Htl. pf.	2.25	3.50
Nat. Grocers c.	4.90	5.10
Nat. Grocers pf.	119.00	120.00
New Meth. Laund. pf.	49.50	....
Para. Oshawa pf.	47.00	52.00
Perf. Pet. pf.	20.00	....
Prov. Paper	95.50	97.00
Rel. Grain pf.	65.00	67.00
Rob. Cons. Cone	8.35	9.25
Ruddy, pf.	12.00	....
Std. Fuel pf. bo.	101.00	....
Super. Pet. B pf.	24.00	25.50
United Grain	12.25	14.00
United Steel pf.	6.00	7.50
West. Grain pf. bonus	9.00	11.00

INSURANCE STOCKS:

	Bid	Asked
British America	34.00	....
Canada Life	447.00	....
Can. Fire	68.00	....
Can. Ins. Shs. c.	8.00	9.50
Confed. Life 20% pd.	120.00	125.00
Cont. Life 20% pd.	37.50	40.00
Crown Life	105.00%	...
Dom. Fire	95.00	....
Dom. Life 50% pd.	186.00	....
Dom. Can. Gen. Ins.	95.00	104.00
Empire Life 25% pd.	7.50	9.50
Excel. Life 30% pd.	72.00	75.00
Fed. Fire 25% pd.	34.00	37.00
Gt. West Life	420.00	440.00
Guar. of N.A., fully pd.	225.00	....
Guar. of N.A. 20% pd.	42.00	....
Manuf. Life	242.00	250.00
Imperial Life	300.00	....
Monarch Life 10% pd.	19.00	22.00
Nat. Life 25% pd.	....	60.00
Sov. Life 25% pd.	12.00	15.00
Sun Life	325.00	335.00
Tor. Gen. Ins.	3.75	4.25
West. Assur. c.	33.00	35.00
West. Assur. pf.	38.00	43.00
West. Emp. Life	8.00	11.00
West. Life 20% pd.	8.00	12.00

TRUST & LOAN STOCKS:

	Bid	Asked
Chartered Trust	68.50	....
Comm. Fin. new c.	2.25	....
Guelph & Ont. Inv.	43.00	....
London & W. Tr.	29.50	32.00
Sec. Loan & S.	98.00	102.00
Sherbrooke Trust	110.00	....
Sterling Trust	....	39.50
Traders Fin. B pf.	48.00	52.00
Trusts & Guar.	34.50	37.00
Victoria Trust	120.00	126.00
Waterloo Trust	75.00	83.00

INVESTMENT TRUST SHS.:

	Bid	Asked
Can. Gen. Invest.	6.00	6.15
Can. Investors	4.25	5.50
Can. Int. Inv. Tr. Units	21.50	22.50
Can. Inv. Fd.	3.20	3.50
Cons. Div. Std. Sec. Units	10.25	11.50
Deb. & Sec. pf.	22.00	....
Dom. Anglo Inv. Units	170.00	....
Dom. Scottish Invest. Units	21.50	23.00
Invest. Foundation Units	40.50	42.50
Sec. Holding Units	10.00	11.50
Un. Corpns. A	14.50	15.00
Un. Corpns. B	4.50	5.25

POWER ISSUES:

	Bid	Asked
Calgary Power pf.	94.50	95.50
Can. L. & P. c.	20.00	21.50
Can. W. Nat. Gas pf.	95.00	96.00
Gr. Lakes Pwr. pf.	48.00	....
Maclaren P. c.	16.50	17.50
Marit. Tel. pf.	14.15	14.75
N.B. Tel. c.	9.85	10.75
N.S. L&P c.	41.00	44.00
N.S. L&P pf.	91.00	93.00

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	3s.
Canada Company	7s. 6d.
Can. & For. Secs.	3s.
Can. Collier. $1 com.	3d.
Do., pref. $10	3d
Can. N. W. Land	25s.
Can. West. Lumber	1s. 6d.
Hudson's Bay	25s.
Do., pref.	102s. 6d.
Imp. Tob. (Canada) 6% pfd.	27s. 6d.
Third Can. Gen. Inv.	6s.

Winnipeg Stock Exchange

(Transactions from Dec. 15 to Dec. 19)

Div. rate in $	yield in %		Sales	High for period	Low for period	Close Dec. 19
4	5.7	Canadian Fire	10	70.00	70.00	70.00
..	..	Forty-Four	50	11.25	11.25	11.25
..	..	Gold Lake	4,250	.47	.38	.47
..	..	Gabrielle	500	.59½	.59½	.59½
..	..	Island Lake	1,400	.07	.06½	.06½
..	..	Oxford Lake	25	2.50	2.50	2.50
..	..	Shawkey	1,000	.32½	.32½	.32½
..	..	Rice Lake Units	20	5.00	5.00	5.00
..	..	Winnipeg Gold	500	.06	.06	.06

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Fire	..	100
Beaver Lumber, c.	..	3½
Beaver Lumber pfd.	..	65.00
City Dairy A	..	10
Cres. Creamery, pf.	22	25
Great West Life	400	..
Home Investment	20	..
Northern Trust	..	12
Pelissiers, com.	.25	..
Pelissiers, pref.	..	20
Sov. Life, 25% pd.	..	14
Traders' Bldg.	60	..
Reliance Grain, pfd.	63	66
Can. Amer. Tr. sh.	2.60	2.90

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
December 24, 1934

Public Utility Issues:

	Int. Rate	Due	Dec. 24 Bid	Dec. 24 Asked	Dec. 18 Bid
‡Avalon Telephone	5½%	1948	98	...	98
Beauharnois L., H. & Power	5½%	1973	100½	102	100½
Beauharnois Power Corp.	6%	1959	72½	...	72½
Beauharnois Power Corp.	5%	1973	58½	60	58½
*Bell Telephone	5%	1955	108½	110	108½
*Bell Telephone	5%	1957	110	112	110
†B. C. Power	5%	1960	101	102½	101
†B. C. Power	5½%	1960	104½	106	105
†B. C. Telephone	5%	1960	103½	105	104
†Calgary Power	5%	1960	100	101½	100
†Calgary Power	5%	1964	98	99½	98
†Canada Northern Power	5%	1953	97½	99	97½
†Cedars Rapids Mfg. & Power	5%	1953	110	111½	110
*Dominion Gas & Electric	6½%	1945	63½	65½	63½
§Duke-Price Power	6%	1966	99	101	98½
*Gatineau Power	5%	1956	97½	99	97
*Gatineau Power	6%A	1941	94	95½	94
*Gatineau Power	6%B	1941	94	95½	94
*International Hydro-Electric	6%	1944	48½	50	48½
†International Power Co.	6%	1957	...	...	87
†International Power Co.	6½%	1957	...	...	90
†Maclaren-Quebec Power	5½%	1961	101	102½	101
*Manitoba Power	5½%	1951	54	56	53½
†Montreal Island Power	5½%	1957	101½	103	101½
†Montreal L., H. & Power	5%	1951	105½	106½	105
†Montreal L., H. & Power	5%	1970	105½	107	105
†Montreal Public Service	5%	1942	105½	...	103½
†Montreal Tramways	5%	1955	73	76	71
†Montreal Tramways	4½%	1955	66½	...	66½
†Montreal Tramways	5%	1941	98	100	97
National Light & Power	6%	1949	87½	90	86½
*N. B. Power	5%	1937	73	...	73
Newfoundland Light & Power	6½%	1949	102	...	102
* Do.	5½%	1971	99½	...	99½
Do.	7%	1949	101	...	101
*Northwestern Utilities	6%	1949	98	100	98
†N. S. Light & Power	5%	1958	99	...	99
†Ottawa Light, Heat & Power	5%	1957	103½	105	103½
†Ottawa Valley Power	5½%	1970	105½	106½	106
†Power Corp.	4½%	1959	84½	87	85
†Provincial Light & Power	5%	1946	105	...	105
*Quebec Power	5%	1968	101½	103	101½
†Rio de Janeiro T., L. & Power	5%	1935	100	...	100
Shawinigan Water & Power	6%	1937	101½	102½	101½
‡Shawinigan Water & Power	4½%	1970	96½	97½	95½
†Shawinigan Water & Power	5%	1970	102½	104	101½
†Southern Canada Power	5%	1955	103½	...	103½
†United Securities	5½%	1952	65½	68½	65½
†West Kootenay Power	5%	1956	105	106½	105
†Western Power Co.	5%	1949	104½	106	104½
*Winnipeg Electric	5%	1935	96½	98½	96½
*Winnipeg Electric	6%	1954	53	55½	51½

Industrial and Realty Issues:

	Int. Rate	Due	Dec. 24 Bid	Dec. 24 Asked	Dec. 18 Bid
Abitibi Power & Paper	5%	1953	31½	33½	30
Abitibi P. & P. C.O.D.'s	5%	1953	28½	30½	27½
†Acadia Sugar	6%	1946	103	104	103
†Alberta Pacific Grain	6%	1946	90	92	90
*American Sales Book	6%	1939	102½	...	102½
‡Asbestos Corp.	5%	1942	99	...	99
†Atlantic Sugar	5%	1941	100	...	100
Balfour Building	6%	1934	45	...	45
‡Belding-Corticelli	5%	1936	103½	...	103½
Bloor-St. George Realty	7%	1946	50	...	50
Booth Buildings	6½%	1937	99	...	99
Brandram-Henderson	6%	1938	94½	...	94
British American Oil	5%	1945	105	106	104½
†British Columbia Pulp & Paper	6%	1950	76	...	75½
Burns & Co.	5½%	1948	38½	...	38½
Canada Biscuit	6½%	1946	20	22½	22½
Canada Bread	6%	1941	101½	...	101½
†Canada Cement	5½%	1947	101	102	100¾
†Canada Paper	6%	1945	96	...	96
‡Canada Steamship	5%	1943	94	...	93½
Canada Steamship	6%	1941	33½	35	30
†Canadian Canners	6%	1950	105½	...	105¾
Canadian Cons. Felt	6%	1940	100	...	100
†Canadian Copper Refiners	6%	1945	106	107	105½
†Canadian Cottons	5%	1940	102	...	102
Canadian Goodrich	7%	1943	48	...	48
*Canadian International Paper	6%	1949	71	73	70
C. P. R.	6%	1942	107	108½	107
C. P. R.	4½%	1944	96	97½	95
*C. P. R.	5%	1954	101	102	100½
C. P. R.	4%	1949	93½	95	94
Can. Rail & H. Term.	6½%	1951	21	...	21½
†Canadian Vickers	6%	1947	64½	67½	62½
Cons. Investment	4½%	1959	85	...	83½
Consolidated Paper	5½%	1961	19½	21	18
Cosmos Imperial	6½%	1944	103	...	103
Debenture & Security	4%	1936	77	...	77
†Dominion Canners	6%	1940	107¾	...	107¾
*Dominion Coal	5%	1940	102	...	102
Dominion Square Corp.	6%	1948	52½	...	52½
†Dominion Tar	6%	1949	94½	96	94
Dominion Textile	6%	1949	105	...	105
Dom. Wool. & W. (with stock)	6%	1948	23	...	22½
†Donnacona Paper	5½%	1948	43	46	44
†Eastern Dairies	6%	1949	75	78	75
Eaton T. Realty	5%	1949	100½	102	100½
†Famous Players	6%	1948	99	101	99
†Famous Players	6½%	1948	91½	93	92
†Federal Grain	6%	1949	94	96	95
Fraser Companies	6%	1950	43½	46	44
Galt Brass	7½%	1941	40	...	40
†General Steel Wares	6%	1952	93	95	92½
Godfrey Realty	6%	1942	43½	...	43½
Great Lakes Paper	6%	1950	30	32	30
†Great Britain & Can. Invest.	4½%	1959	65	68	65
†Gypsum, Lime & Alabastine	5½%	1948	87½	89½	86½
Hamilton Cottons	5½%	1948	96	...	95½
*Hamilton By-Products Coke	7%	1943	100½	103	100½
*Hinde & Dauch	5½%	1948	95½	...	95½
†International P. & P., Nfld.	5%	1968	98	100	97
Inter City Baking	5½%	1948	94½	...	94
†London Can. Invest.	4½%	1948	76	...	75½
London Realty	6%	1950	80	...	80
Maple Leaf Milling	5½%	1949	...	45	...
†Massey-Harris	5%	1947	85	87½	85
†McColl-Frontenac	6%	1949	104	105½	104
Metropolitan Building	7%	1944	100½	...	100½
Minn. & Ont. Paper	6%	1945	15½	17½	15½
*Montreal Coke	5½%	1947	102½	104	102½
‡Montreal Cottons	5%	1943	98½	...	98½
National Grocers	6%	1948	104½	106	104½
Northern Electric	5%	1939	104½	...	104½
Northern Ont. Bldg.	6½%	1939	99	...	99
Ontario Building	6½%	1943	39	...	39
†Penman's	5½%	1951	109	110½	109
Price Bros., C.O.D.'s	6%	1943	85	...	84½
*Provincial Paper	5½%	1947	100½	102½	100
Queen's Hotel	6%	1947	72	...	72
*Reliance Grain	6%	1948	97½	100	97½
Richmond Bay Bldg.	6½%	1947	97	...	97
‡Riordon Pulp & Paper	6%	1942	103½	...	103½
Ritchie Cut Stone	6½%	1948	79½	...	79½
Ruddy & Co., E. L.	6½%	1948	79	...	79
†Rolland Paper	5½%	1948	101½	...	101½
St. Lawrence Flour	6%	1941	104	...	104
†Simpson's Ltd.	6%	1949	103	104½	102
†Smith Howard	5½%	1953	101	102½	100¾
‡Steel Co. of Canada	6%	1940	110½	...	110
Stop & Shop	6%	1947	88½	...	87½
Toronto Carpet	6%	1944	100	...	100
United Amusement	6%	1942	94½	...	94½
United Corpns.	5%	1953	84	...	83½
United Grain Growers	5%	1948	94	...	94
United Grain Growers	5½%	1949	97½	...	97½
Wabasso Cotton	6%	1947	103	...	...
‡Wabasso Cotton	7%	1942	105	...	105
Woods Mfg.	6%	1943	92	...	92
Zimmerknit Mfg. Co.	6%	1951	98	...	98

† Can., U.S. or U.K. ‡ Can. or U.K.
* Can. or U.S. § U.S. only.

Unlisted Mining Stocks

December 24, 1934

	Bid	Asked
Afton	.33	.35
Alschbach	.06	.08
Ardeen	.21	.22
Arntfield Gold	.68	..
Arntfield Synd.	.70	..
Atnel Mines	.20	.24
Bailor Gold	.01½	.02½
Bankfield Gold	.73	.75
Bathurst	.02½	.03½
Big Long Lac	.08	.10
Bousquet Gold	.20	..
Bur-Ley Long Lac	..	.20
Bidgood Cons.	..	.01½
Brennan Kenty	..	.25
Can. Pandora	.08	.09½
Can. Radium	..	.11
Canusa Mining	.05	.07
Casey Summit	.07	.09
Cent. Porc.	..	.30
Chromium M. & Smelt.	.45	.53
Cochenour Will.	95.00	..
Columario	.05	.06
Continental Kirk.	..	.05
Crown Reserve	.03½	.04½
Cuniptau	..	.25
Dorval Siscoe	..	.20
Dunlop Cons.	.01	.01½
El Bonanza	.12	.14
Forty-Four Gold	10.85	11.50
Goldside	.13	.15
Gold Eagle	.22	.24
Gr. Bear Lake M.	.23½	..
Gabrielle	.58½	.64½
Hardrock Un.	47.00	..
Hardrock	.54	.48
Harkness Hayes	..	.43
Hislop	.15	.20
Herbin Lake Un.	16.00	18.00
Hudson Pat.	.12½	.14½
Horseshoe	.02	.03
Jellicoe	.08	.10
Johnson Nip.	.02½	.03½
Karl Springer	1.75	2.25
Kirk. Gold Belt	..	.09
Keyroc Gold	..	.06
La Roche	.10	.15
Lafayette L. Lac.	..	.06
Long Lac Lagoon	.17	.18½
Lamaque Gold	1.10	1.25
Lake Caswell	.40	.44
MacFarlane L. Lac	..	.05
MacL. Cockshutt.	.07	.08
Magnet Lake	.17	.19
Marbuan	.57	..
Matachewan Can.	.12	.14
Metals Devel.	.02	.03½
Murwood	.20	.23
Mosher Gold	.03	.04
N. A. M. E.	8.00	9.00
Normetal	.20	.30
Normont	..	.09
North Shores	.09½	.10½
Oklend	.39	.42
Pontiac Rouyn	.25	.35
Queen Lebel	..	.09
Red L. Goldshore	.21	.24
Rice Lake	..	.05½
Sakoose	.09	.11
Scullers Gold	13.00	14.00
Shawkey	.33	.35
Sigma	..	1.45
Smith Cobalt	.11	.14
Smelter Gold	.15½	.16½
Springer Sturgeon	..	.10
Sturgeon River	..	4.00
Tashota Goldfield	.39	.45
Thom.-Cadillac	.03½	.04½
Tiblemont Island	.38	..
Toburn	1.23	1.27
Wendigo	..	.50
Wells L. Lac	.13½	.15
West Red Lake	..	.14
Wingold	.21	.24
Young David	.23	.25
Ymir Y. Gold	.65	.69

Source of quotations on application. Not guaranteed.

Listed Bond Quotations

Week Ending December 22, 1934

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1934 High	Range 1934 Low
Mtl. L.H. & P. debs.	3	1939	3.35	48½	48½	48½	48½	43
Nat. Service	5	1941	2.98	113½	112.75	....	112.75	106.35
Refund. Loan	4½	1944	3.28	111	110.50	....	110.50	105.00
Conv. Loan	4½	1959	3.81	110½	111.00	....	111.00	99.75

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and in its mining quotations elsewhere in this issue, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Can. Gen. Electric

I have a client who wishes to invest in preferred stock of Canadian General Electric. Would appreciate outline of company's position.

For the fiscal year ended December 31, 1933, Canadian General Electric Co. reported a net profit of $635,176 as compared with $1,165,661 in 1932. Last year's profits were considerably lower than in any of the last several years and compared with a peak of $4,428,885 in 1929. After the regular preferred dividend and also a dividend on the common stock, there was a deficit for the year of $577,613 as compared with a deficit of $188,762 in 1932 and a surplus of $953,731 in 1931. The company is one of the oldest in the electrical business and has a long record of earnings, with the surplus at the end of the last fiscal year standing at $6,186,805 and a surplus of current assets over current liabilities of approximately $15,560,000.

Dividends on the seven per cent preferred stock, which has a par value of $50, have been paid regularly. This stock may be redeemed by compulsory redemption at $57.50 per share. For the current year to date, it is understood, that this company in common with the other large electrical companies has had an improvement in earnings.

Shawinigan

Will you please inform me what, in your opinion, is the reason for Shawinigan remaining so long at what appears to be a very low figure and without much fluctuation? From the reports of increased electric power and increased earnings one would look for some advance. I have held this stock for some years and it naturally cost me much in advance of present prices. Selling would mean a substantial loss at the present time. I have held in the hope that it might go near the purchase price.

There are a number of reasons why the Shawinigan Water and Power common stock is selling at a relatively low level, i.e., in comparison with the high reached during the last big bull market. In the first instance, earnings of the company have declined. Secondly, dividends have been reduced to 50 cents a share. Thirdly, there is uncertainty over the position of the newsprint manufacturers, to whom the company supplies a very large amount of power.

The electricity enquiry in Quebec has no doubt had some influence on the market value of the stock. It is not expected, however, that there will be any adverse developments from this enquiry.

Investors further are looking for yield on their stock purchases and if you compare the yield on the Shawinigan stock at present prices, you will find that it is low compared with the general run of stock of the same calibre.

In the last two years, Shawinigan has done a great deal to strengthen its position. The sale of electricity has been at a record level, but income has not kept pace because of the fact that an increasingly large percentage of output is sold at secondary power rates. The company probably could afford to pay a slightly larger dividend, but in view of the desirability of maintaining a strong cash position to take care of developments, and the possible redemption of short term notes maturing in 1936, it is unlikely that any action will be taken in this respect over the next two or three years.

The company is inherently sound and its prospects of further development are favorable. What will happen marketwise to the stock is difficult to forecast, but as far as the company itself is concerned, further progress should be recorded in the years immediately ahead.

Canada Cement

Kindly let me have your views on Canada Cement preferred stock. Is there likely to be a resumption of dividends on the preferred stock at the turn of the year?

Canada Cement Company's financial statement for the year ended November 30, 1934, is expected to make its appearance about the end of this month. It is anticipated that the company will show an improvement in earnings as compared with the 1933 fiscal year. The amount of net profit to be shown, however, is not expected to be much greater than the bond interest and depreciation. Little, if any, earnings will be shown on the preferred stock. While the company is in an excellent position to take advantage of any improvement in constructional activities in the Dominion, it is not anticipated that dividends on the preferred stock will be resumed until such time as the volume of business available is on a larger basis than at present.

Can. Gen. Investments

Have the shares of Canadian General Investments any merit, or are they speculative? Is their past history favorable and have the security holdings ever been published? Are the future prospects encouraging? What is the market value of the shares?

Shares of Canadian General Investments of which there are 612,336 outstanding have some investment merit since they have paid 35 cents a share in dividends in 1934.

The company invests in a broad range of securities including bonds, preferred shares, bank and trust company shares, and ordinary industrial shares. Over 80 per cent of these securities are Canadian.

Details of the security holdings were published two or three years ago, but in its last two reports the company has merely indicated the distribution of securities and the type of securities held. However, details might be obtained by a shareholder upon application to the company.

The present company is a merger of Canadian General Investment Trust and Second Canadian General Investments. The shares of the first company were originally issued at $100 each. The present shares represented roughly one quarter of each original share. The dividend return has fallen appreciably since the companies were originally started.

Rt. Hon. Arthur Meighen, president, reported that the net value of the company at June 30, 1934, was $5,248,631, an appreciation of $955,399 over the figure at the end of 1933, an increase in the value of over 22 per cent. The net liquidating value per share based on market quotations for investments held was $8.57 at June 30, 1934. The price of the shares is $6 bid and approximately $6.10 asked.

The liquidating value of the securities and the company's income, of course, depend on the trend of security market prices in Canada, and on dividends paid by the broad list of companies whose securities are held. Shares of Canadian General Investments are not listed on the stock exchange but are traded by unlisted security dealers.

Dominion Tar

I am considering the purchase of Dominion Tar and Chemical preferred stock. I understand that this stock has passed its dividends for two or three years but may resume before long if business improves. Could you give me any idea of the standing of this security and its possible course during the next two or three years?

Dominion Tar and Chemical Co. occupies a dominant position in the Canadian creosoting business. In normal times this company receives a large volume of business from the railway, telephone, power and other companies which have need for creosoted wood products. As you can readily understand the volume of business of this type available over the last two or three years has been of very limited proportions, with the result that earning power of Dominion Tar has declined. Dividends on the preferred stock have been omitted, but the company continues to meet the charges in connection with its funded debt. Of late there has been some improvement in the company's position and the financial statement for the current year is expected to make better reading than the one presented for the 1933 fiscal year.

When conditions become more normal, there should be a large volume of accumulated business available to the company. When that takes place, it should not be long before the company is in a position to pay dividends on its preferred stock. It is hard to say just how long that will be, but the prospects are more encouraging at this time than they were a year ago.

Silverwood's Dairies

In an estate in my care there are some shares of Silverwood's Dairies and I would appreciate something about the market possibilities of this stock and the current situation of the company.

There is not a great deal of trading in shares of Silverwood's Dairies Ltd., as these are not listed on the regular exchanges.

For the year ended March 31, 1934, the company's total sales were reported as $6,679,000 as against $6,186,000 for 1933. Net earnings for the same period were approximately $428,000 as against $542,000 and net profit was $105,000 as against slightly more than twice as much in 1933. After preferred dividends of $120,869, there was a deficit in 1934 of $15,665 as compared with a surplus of over $7,000 in the previous year. Current assets at the end of the last fiscal year amounted to $460,520 and current liabilities to $445,453, leaving a working capital of $15,367 as compared with $55,659 in 1933. The dividend on the preferred shares is only being paid in part

During the current year, we understand that business has shown improvement with all but two of the 27 subsidiaries of the company showing a profit. In the opinion of A. E. Silverwood, president of the company, greater difficulties were faced during the four years of depression than would ever again confront the organization. He believed that any change from now on should be reflected in improved earnings from operations. Expenditures, he said, had been cut to the bone except in the uncontrollable matter of taxes.

Silverwood's Dairies, like all other dairy companies has been subjected to government restrictions in the last few years Various laws have been passed and milk boards set up in an effort to control prices paid to the farmers for raw milk. At the same time, there has been practically no control over prices of other dairy products and these have been relatively low. There has been pressure from the cheese and butter districts to ship cheap milk to the larger centres. Milk wars, too, have broken out in several sections of Eastern Canada, the most recent case being in Hamilton, Ont., and these have also affected earnings of dairy companies.

Manitoba Power Bonds

Shall I sell Manitoba Power Co. 5½ per cent first mortgage gold bonds, 1951? Are they sure to meet their bond interest?

The situation of Manitoba Power Company 5½ per cent first mortgage bonds due 1951 should be made clearer shortly when there is a report by the sub-committee which has been investigating the whole situation with regard to Winnipeg Electric Company and its subsidiaries. This will be followed by a plan of reorganization and it is possible that these bonds may not have the same par value as bonds offered in return . It has been earning the interest but will shortly lose the City of Winnipeg as a buyer of power and that will make a great deal of difference in its revenue.

Medalta Potteries

I have money invested in Medalta Potteries Ltd. and although I am getting my interest regularly would like to know something of the company and its securities.

Medalta Potteries Ltd., of Medicine Hat, Alberta has a funded debt consisting of 6½% sinking fund debentures of which $320,000 was outstanding at the time of the last report. The trustee for these debentures is the Trust & Guarantee Co. at Calgary. Interest was defaulted Sept. 1, 1931, and following several meetings of the debenture holders, it was agreed to waive interest due from September 1, 1931, to September 1, 1932, and to accept payment of one half of the interest due from March 1, 1933, to September 1, 1937, the remainder to be postponed to January 1, 1938, and to postpone sinking fund payment to January 1, 1938.

The company manufactures stoneware pottery and operates a plant at Medicine Hat It also owns clay beds in Saskatchewan. It has national distribution for its products. The company was incorporated in 1929 to acquire a company of the same name which had been in existence for over 12 years.

St. Lawrence Flour

I have been contemplating purchasing some of the common stock of the St. Lawrence Flour Co. Kindly give me the earnings and dividend records of this company for the last three years, and also the present capitalization.

At present St. Lawrence Flour Mills Co. has an outstanding capitalization comprising $62,000 of 6 per cent first mortgage bonds, due 1941; $575,000 of 7 per cent cumulative preference stock; and $1,200,000 of common stock, of the par value of $100 a share.

During the past three fiscal years which end around September 1, St. Lawrence Flour Mills' net earnings have been as follows: 1932, $107,839; 1933, $115,824; 1934, $146,136.

After taking care of depreciation, bond interest, income tax and other prior charges, there was a net profit available for dividends for the three years, 1932, 1933 and 1934 respectively, of $68,990, $64,093 and $90,508.

Share earnings on the preferred stock have been as follows: 1932, $12; 1933, $11.15; 1934, $15.75.

Share earnings on the common stock have ranged as follows: 1932, $2.40; 1933, $1.99; 1934, $4.19.

Dividends have been paid regularly on the preference stock, while the common was put on a paying basis in 1933 with payment of $1.50 a share. This payment was continued in the fiscal year 1934, while in the current year the dividend has been increased to 50 cents quarterly, or at the rate of $2 annually.

Cockshutt Plow

I have a client with $600 to invest who is considering Cockshutt Plow. How is this company coming along?

Though volume is still considerably below normal, business in the current year for the Cockshutt Plow Co., we understand, is considerably better than for the same period in 1933. Export sales are up 100 per cent over the previous year while there has been a substantial increase in the domestic demand as well.

In common with all agricultural implement companies, however, Cockshutt Plow has been coming through a difficult period in recent years. Earnings of the company are tied in with Canadian agriculture, and until the latter industry shows substantial improvement, little in the way of profits can be expected for the agriculture implement companies generally.

Since 1931 this company has suffered substantial losses amounting to approximately $495,000 in 1931, $550,000 in 1932 and $850,000 in 1933. Previous to that period profits were just as large as the recent losses. With no funded debt or preferred stock, this company appears to be in a favorable position to share in any future prosperity of Canadian agriculture, but when profits come, surplus must first be restored.

Rogers-Majestic Corp.

Any information you can give me on the standing of Rogers-Majestic Corp. will be appreciated.

In contrast to an operating loss of nearly $314,000 in 1933, Rogers-Majestic Corp. for the fiscal year ended March 31, 1934, had an operating profit of a little over $9,000. After depreciation, and provision for bad debts, however, there was a loss for the year of about $170,000 as compared with approximately $475,000 loss in 1933. In the current year, we understand, there has been substantial improvement with continuous gains in sales practically every month. For the first six months of the current year, volume was estimated at almost 2½ times that of the first six months in 1933, while the improvement in business during the fall months, it is stated, has been maintained.

This company operates its own radio station and in addition to manufacturing Rogers-Majestic radios also owns Consolidated Industries Ltd., manufacturers of De Forest Crossley radio sets, refrigerators and electric clocks. It is now one of the largest companies of its kind in Canada. The popularity of the new short wave radio set, it is believed, is doing much to stimulate business for companies such as the Rogers-Majestic. Notwithstanding losses in 1933 and 1934, auditors at the time of the last annual report which covered the year, ended March 31, 1934, considered the company's working capital position as quite satisfactory. This showed an excess of current assets over current liabilities of $673,490 as compared with $772,885 in 1932.

General Steel Wares

I would like to know the prospects of the preferred stock of General Steel Wares. It has paid no dividends of late, but I understand that the position of the company and its business are on the upgrade. Is there any likelihood of the company paying dividends in the near future?

General Steel Wares has made progress in the past twelve months. You may recall that the company's financial statement for 1933 showed that bond interest was practically earned after providing for depreciation. There is reason to believe that the report for 1934 will show depreciation and bond interest charges covered with a balance to spare for the preferred stock. While the position of the company has undoubtedly improved, there is no immediate expectation of a resumption of dividends on the preferred stock. If the improvement experienced in the past year continues throughout 1935, it is possible that consideration may be given to some plan whereby the preferred stock can be restored to a dividend-paying basis. At the moment, however, there is no immediate prospect of a resumption of dividends on the preferred issue.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Olga Gas & Oil

About a month ago I purchased some shares of Olga Gas & Oil, and have not yet received delivery. How long should I have to wait, and what is the position now?

The whole situation in regard to Olga Gas & Oil is at present under a cloud owing to the dispute between this company and Decatur Gas & Oil over the terms of a contract. Also complicating the picture is the fact that J. C. Reade & Co. are winding up their business. This concern which has only been in business for a brief time, held option on Olga Gas & Oil stock on a sliding scale up to 15 cents per share.

During the winding up proceedings of J. C. Reade the fate of this stock is very uncertain. We understand that the Ontario Securities Commission have taken over all the securities of this company and are releasing them as they are available.

In regard to your question as to how long after purchase of stock, delivery should be completed, it is usual to get almost immediate delivery.

Mak Siccar Gold

I would appreciate hearing from you the latest developments from Mak Siccar Gold Mines.

Last reports indicated that Mak Siccar Gold Mines was making good progress on the lower cross-cut tunnel in the Osoyoos mining division of British Columbia Trial shipment sent to the Trail Smelters contained both gold and silver in encouraging amounts. The company has issued no financial statement but is known to have about 500,000 shares outstanding of the 750,000 no par value shares which comprise its authorized capitalization. The head office is 124 Pacific Building, 744 Hastings St. West, Vancouver, B.C.

Swastika Mining Co.

I hear that Swastika Mining Co. in which I own shares, is being revived Would you please give me details, as it looks as if my stock may now have some value.

The Swastika Mining Co. Ltd., has long since passed out of existence, and shares in this company now have no value.

The property was sold through the court some time ago, about 1914, and was ultimately purchased by Teck-Otto Gold Mines. Shareholders of the Swastika Co., however, have received nothing from the sale, as this company, we understand, was heavily in debt. You may remember that an offering of 200,000 shares in the Teck-Otto Co., underwritten by Mr. E. M. Sayer, was held up by the Ontario Securities Commission late in August of this year, because of the fact that a prospectus being circulated by Sayer was said to be many years old. This was Mr. Sayer's debut as an underwriter, and before this time he was running some sort of a correspondence school. About the middle of September it was reported that a new report on the property had been prepared and that sales of stock were to be permitted. Under the underwriting agreement outlined by Mr. Sayer to us, 200,000 shares of the company's stock were to be offered at 30c. for a limited period, to net the company about 12c. a share. The price of shares would then be increased by stages up to 60c. per share. The offering was not a success, however, and F. L Culver, Toronto, president of Teck-Otto informed us that there is no activity at the property and no effort is being made at the present time to continue financing.

Oklend Gold Mines

As a subscriber, I would like to know your opinion of Oklend Gold Mines, as to property, management and prospects.

Oklend Gold Mines was recently formed to develop a group of 21 claims just east of the Little Long Lac Gold Mine. The company is headed by Joseph Errington who has met with success in bringing the Little Long Lac property into production. The company claims that several interesting veins have been uncovered on the property and they are at present starting a diamond drill campaign in conjunction with further surface work.

You can readily understand that this company has not yet completed sufficient work to give any idea of its merits. We can only classify it, therefore, as an interesting raw prospect with experienced management.

God's Lake Gold

I would like information about God's Lake Gold Mines please. Will it pay a dividend next year?

God's Lake Gold Mines is undergoing an aggressive development programme, with the object of starting mill operations early in the New Year. It is planned to have the mill in production by September 1935. About 100 men are now on the property which will probably be sufficient for early operations. The size of the mill has not yet been decided upon but it will likely be in the neighborhood of 150 tons. The last estimate of ore reserves made by R. J. Jowsey, president of the company, in the latter part of October stated that on the basis of drilling results and drifting done on the two levels now being worked, there is 37,000 tons of ore in sight. This amount, of course, will be very largely increased before the mill goes into operation. On the lower level the drift is now in fairly high grade while the average grade is around half an ounce per ton.

As you are probably aware God's Lake Gold Mines recently formed a subsidiary company, Jowsey Island Gold Mine, to develop the westerly portion of God's Lake Gold Mines' extensive holdings. The management of this company comprises some experienced mining men.

It is a little early since the company has not yet started production to talk of dividends.

B. C. Municipal Control May Soon Be Revised

Present System Not Completely Satisfactory to Either Bondholders or the Provincial Government

From Our Own Correspondent

VANCOUVER.—During the next few weeks the British Columbia government expects to evolve a new system for administrating the affairs of the province's bankrupt municipalities. The methods so far employed in handling the affairs of towns in difficult financial circumstances are not believed to be entirely satisfactory, either to bondholders or the government.

The present system involves the employment of commissioners — one to each bankrupt municipality —and these officials are clothed with drastic powers in the administration of the financial and other aspects of civic responsibility. Under commission rule the municipalities concerned have usually improved their status and economies have been effected, but the government is not entirely satisfied.

Appointments Criticized

Under the existing law, if a municipality defaults the bondholders can force it to accept appointment of a government commissioner. Considerable criticism has been made of some of the appointments at various times on the ground that in certain cases they have been political and others unwise. In one instance an officer of an investment firm was made commissioner shortly before the failure of his concern.

This system of control of a defaulter's finances by a single individual has worked satisfactorily in Quebec because the inspector is usually an outsider and enforces rigid financial control with the backing of provincial authorities. Ontario may soon try this plan. In British Columbia, however, appointments of local men as commissioners, sometimes with political interests that must be served, have apparently resulted in some laxity. And creditors feel that at times the provincial authorities have been inclined to give insufficient attention to their rights.

Awaiting Report

Meanwhile the government is awaiting a special report from Robert Baird, Deputy Minister of Municipal Affairs, who has just returned from a tour of Canada during which he made a thorough investigation of administration of defaulting municipalities in all provinces. His report will outline a basis for a new municipal financing policy with special reference to those municipalities that have found it impossible to pay interest charges on their indebtedness.

The government is also awaiting the outcome of the present negotiations between municipalities of North Vancouver and Burnaby and their bondholders in connection with the scaling down of interest charges. Under the terms of the proposed settlement, the bondholders would accept one per cent interest. If they do not accept, the government has no present intention of passing legislation on the subject.

Government Attitude

Hon. A. Wells Gray, Minister of Municipal Affairs, says that if the deal is not accepted by the bondholders, then it is probable that no interest whatever will be paid for years to come. He says the responsibility will rest with the bondholders. The government or municipal commissioners that may be appointed would not be able to make any better terms.

With respect to the two North Vancouver municipalities and Burnaby, the question as to whether commissioners should take charge or councils left in control, with a government supervising officer in financial control, is still undecided.

The financial relationship between municipalities and the government of British Columbia has been a controversial issue for a good many years, but the difficulty was accentuated during the depression when the Tolmie government decided that it would have to make a drastic reduction in grants and subsidies to the municipalities from liquor taxes, pari-mutuel profits and other sources. In addition, the government compelled the municipalities to bear a greater share of social service costs—such as hospital and institution charges. The Pattullo government announced its intention of co-operating with the municipalities and appointed for the first time a Minister of Municipal Affairs, but under financial pressure the government decided it could not grant additional financial relief.

Financial Statistics

The total assessed value of all lands and improvements in all cities and districts in British Columbia is $786,450,000. The gross funded debt, according to the 1933 report of the government, is $139,928,000. In that year the total taxes levied by the municipalities were $19,638,000. The amount of tax sale lands in the hands of municipalities was $9,900,000, or about 1.2 per cent of the total assessment. The amount of taxes in arrears rose from $3,465,000 in 1928 to $11,105,000 in 1933. Total income last year from all sources of taxation, including government grants to municipalities, was $27,036,000, while expenditure in the same year totalled $28,624,000, indicating a deficit of about $1,600,000.

Out of a total of 60 municipalities in the province only seven have been in serious financial difficulties recently. These are North Vancouver city, North Vancouver district, district of Burnaby, cities of Prince Rupert, Merritt, Fernie and Port Moody. With the government's approval, the North Vancouver municipality and district and the district of Burnaby have offered to pay their bondholders one per cent interest for the next three years with no sinking fund, and all present indebtedness to be converted into one issue maturing in 25 years with annual sinking fund to be set up some time in the future. These would apparently be consolidated with present sinking funds.

Prince Rupert Plan

Commissioner W. J. Alder of Prince Rupert has made another proposal. He would refund all outstanding maturities and issue 20-year sinking fund bonds bearing four per cent interest. This plan, which has been approved by a large number of the bondholders concerned, awaits approval by the government. No difficulties in the way of refunding Prince Rupert bonds and resumption of principal payments are foreseen. Port Moody made proposals to the bondholders which were not acceptable, and a commissioner will probably be appointed according to established practice.

Of the 33 cities of B. C., all have bonds outstanding in the hands of the public except three—Slocan, Cumberland and Greenwood, the latter having made a settlement some years ago. The remaining 30 had a total cash and sinking fund investment at the end of 1933 totalling $26,272,000, of which the requirement for 1933 was $31,430,000, indicating a shortage of about $5,150,000. If from this is deducted the shortage in sinking funds of the city of Vancouver, amounting to $4,666,000, the net shortage for the other 29 cities is only $500,000.

According to figures compiled by H. J. Bird, president of Bird & Talling, from provincial figures, 17 of the cities having debentures outstanding have a shortage and 13 a surplus in sinking fund account. The 17 short are: Alberni, Courtenay, Enderby, Fernie, Grand Forks, Ladysmith, Merritt, Nanaimo, New Westminster, North Vancouver, Port Alberni, Port Coquitlam, Port Moody, Prince George, Rossland, Salmon Arm and Vancouver.

The 13 having a surplus are Armstrong, Chilliwack, Cranbrook, Duncan, Kamloops, Kaslo, Kelowna, Nelson, Prince Rupert, Revelstoke, Trail, Vernon and Victoria. Twelve districts have a surplus in sinking funds—Chilliwack, Delta, Esquimalt, Kent, Maple Ridge, North Cowichan, Oak Bay, Penticton, Richmond, Spallumcheen, Summerland and Surrey. Seven districts are short—Burnaby, Coldstream, Coquitlam, North Vancouver, Peachland, Salmon Arm and West Vancouver. It may thus be seen that conditions are generally better in the rural districts, due probably to unemployment in the cities.

Costly Education

One of the heaviest expenditures that municipalities in British Columbia have had to bear is education. In the past nine years about $63,000,000 has been spent on education in this province, with a population of less than 520,000. This is expenditure by municipalities alone and not for so-called higher education. The city of Vancouver has a gross debenture debt of about $75,000,000, of which schools account for $10,500,000, or about 14 per cent of the total funded debt. The total amount borrowed for school purposes in British Columbia is $15,448,000, or about 11 per cent of the total. Annual maintenance for schools is about $7,000,000, or six times greater than any other item of expenditure.

Efforts are being made to check the reversion of tax sale property to municipalities. The grand total of the assessed value of such lands is $9,900,000, but still this is only 1.2 per cent of the total of taxable lands in municipalities of the province.

The Minister of Municipal Affairs, Mr. Gray, who for many years was secretary and president of the Union of B. C. Municipalities, has already pledged himself to work for a reduction in the municipalities' financial load through relinquishing of some of the provincial grants. He denies that the government has recommended that municipalities in general should apply for scaling down of interest rates and has repudiated reports interpreting his recent remarks as substantiation of that attitude. In respect to the municipalities now negotiating with bondholders for reduced interest, Mr. Gray says that the interest had not been paid for several years and any sort of a compromise would be better than the conditions recently existing.

While bondholders are generally willing to accept compromises, where necessary, they are hoping that the province will establish a system that will require closer co-operation with them in arranging settlements.

This is the third in a series of articles describing provincial supervision of finances of municipalities. The preceding article was published in The Financial Post of Dec. 8, and the next will appear in an early issue.

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The Week in Mining

Year Ends Higher

WHILE the state of lethargy which has prevailed in the mining market in recent weeks continues as the year draws to a close, it is gratifying to note that mining stock prices are much higher than at the first of the year. During the early part of the year mining stock prices showed sharp appreciation under the impetus of $35 gold and the prospects of inflation, reaching a high in August when the Dominion Bureau of Statistics index of mining stocks rose to 141.1. In January the index stood at 106. Prices since August have been on the decline and at present the index stands at 122, an advance of sixteen points over the first of the year.

Recent sessions of the mining section of the Toronto Stock Exchange have witnessed the usual pre-holiday dullness. While price action from day to day has been irregular the general trend has been fairly steady. Investors seem to be playing a waiting game.

If the high-grade bond market continues to advance a revival of interest in mining stocks is looked for. The yield on gilt-edged securities has been falling for months and there is evidence of a growing impatience of this condition among certain monied interests. If the yield should continue to fall it is likely that funds will be diverted from this market to more speculative fields. There can be no doubt but that a portion of these funds would find their way into the mining stocks that are showing yields ranging from five to ten per cent and into the development golds where the chance of appreciation of capital is great.

Secondary golds continue to be the most active stocks on the mining board. Led by Little Long Lac, which has advanced under heavy buying, the whole group has been stimulated, higher prices resulting. The senior golds have remained fairly firm while the silver issues have been irregular. Base metal stocks have been uniformly weak.

Lamaque Mill Ahead of Time Reports State

With mill construction considerably above schedule, Lamaque Gold Mines will be ready for production a month or six weeks ahead of time, advices from Bourlamaque Twp., Quebec, indicate.

Under the guidance of Teck-Hughes, foundation for the mill, mill buildings, and some machinery had been installed by November first, when, according to the original programme, only the mill foundations were supposed to have been built. It is reported that the headframe on the new No. 6 incline shaft has also been completed.

Officials of Teck-Hughes have issued no recent statement as to progress at its new subsidiary, but it is understood that initial capacity of the mill, scheduled to be ready some time in April, will be about 250 tons per day.

MacFARLANE WORK WAS NOT JUSTIFIED

Dryborough States That Property Has Indifferent Prospects

The property of MacFarlane Long Lac Gold Mines "has only indifferent prospecting possibilities and more development has been done than the showings merited," according to a report made by John Dryborough, well-known Winnipeg mining engineer. The likelihood of locating a commercial ore deposit on the property is too remote to justify further expenditure on exploration, he states in a report to directors.

Mr. Dryborough was engaged by the recently appointed board of directors to examine the company's property and a meeting of shareholders has been called for Jan. 8, 1935, to consider the report and also to give consideration to a future policy. Since the amount of cash available is limited the directors do not suggest winding up the company since the amount returned to shareholders would be negligible. The directors recommend in a letter to shareholders over the signature of John Inwood, secretary-treasurer, that the cash be conserved pending an opportunity of acquiring an interest in other promising ventures which, if successful, would mean the rehabilitation of the company.

Following the investigation into MacFarlane Long Lac by the Ontario Securities Commission, Commissioner J. M. Godfrey arranged that a sum of $21,500, including $9,000 in cash and $12,500 in notes, the last of which matures on Sept. 4, 1935, and 200,000 vendor shares be returned to the company's treasury.

At a meeting of the new directors the following officers were elected: A. B. Stodart, president; W. J. MacDonough, vice-president; and John Inwood, secretary-treasurer.

Big Long Lac Reports Encouraging Results

From Our Own Correspondent

SUDBURY—Officials of Big Long Lac Gold Mining Company report encouraging results to date in exploration of its claims on the Suicide River, five discoveries showing visible gold having been exposed. It is stated that the best showing is located near a granite contact. Further prospecting in this area will determine similar occurrences in the opinion of those in charge of operations.

Silver Group Starts Move to Trade Metal in London

A plan to start dealing in silver metal, spot and future, in London, England, is being considered, cables from the Old Country state. Details have not yet been announced, but it is thought that American interests might be behind the move. Few of the major silver dealers in London appear to know anything about the proposition.

News of Canadian Mining Investments

METAL OUTPUT UP 22 PER CENT BY END OF 1934

New Production Records for Nickel, Copper and Zinc

GOLD LEADS

Prospecting and Exploration Activity at Unprecedented Tempo During Past Year

Led by metal mining, the improvement in Canada's mining industry which commenced 1930 continued throughout 1934, the value of mineral production showing an increase of approximately 22 per cent over 1933. The Financial Post estimates mineral production at $270,000,000 as compared with $220,000,000 in 1933.

As indicated above, it is in Canada's metal production that the improvement has been most marked. Not only has there been unprecedented activity in the gold mining branch of the industry but nickel, copper and zinc all chalked up new production records while lead output is only slightly lower than the 1928 record. Canada has thus further established its position as one of the world's leading producers of metals.

The improvement, however, has not been confined to metal fining. Output of almost every mineral product has shown an increase over 1933 and while the advance made by the non-metallic minerals has not been as great as that recorded by the metals, the increase in production nevertheless has been substantial and indicates that the industry is well on the way to recovery. Although demand for building materials is still at a very low ebb the output of asbestos, cement, clay products, gypsum and lime recorded increases

Gold Mining Features

The outstanding factor in the improvement has been the increased activity in the gold mining industry. While the quantity of gold produced remains approximately the same as in 1933 as result of the policy of the major producers in milling low-grade ore, the value of gold production is considerably higher due to the increase in the price of the yellow metal. During the year 21 new mines were brought into production and others are at present constructing milling plants. The quantity of production should in 1935 register an increase as result of the operations of new producers.

Prospecting and exploration activity has been at an unprecedented level. New fields have been aggressively sought and old fields once again been explored. A number of old producers are being actively worked. It would be difficult to put a finger on a gold camp from one side of the Dominion to the other that has not felt the reviving influence of new or accelerated production.

Nickel perhaps, has staged the most remarkable comeback of all metals. Under the impetus of greater industrial demand—the result of the efforts of the research and marketing branch of International Nickel Co.—production activity has been at the highest level in the history of the industry. Production in 1934 is estimated at 62,000 tons as compared with 55,138 tons in the previous record year of 1929 and 41,632 tons in 1933.

Due principally to the increased production of nickel ore, with which it is mined in association, copper output is estimated at 175,000 tons as compared with the previous high of 151,000 tons recorded in 1930. Production in 1933 totalled 149,968 tons. It is doubtful if Canada's output of the metal would have increased at this time if production of the metal in the Dominion was not an ancillary function. Since the metal is largely a by-product of the production of other minerals its costs of production are low and as result Canadian producers have been able to increase output even in the face of prevailing low prices.

Lead and zinc output also recorded a substantial advance over 1933. As with copper and nickel production of the latter has been at the highest level in the history of the industry. Zinc production is estimated at 144,000 tons as compared with 133,821 in 1930, the previous record year. In 1333 zinc production amounted to 98,842 tons. Lead output in 1934 totalled 165,000 tons as compared with 132,165 tons last year.

Activity in silver mining industry increased during the latter part of the year as result of higher prices resulting from the nationalization of the metal by the United States. Production in 1934 is estimated to have increased five per cent.

Coal mining received a definite impetus as result of the general improvement in business. Nova Scotia mines have benefitted from greater industrial demand in Central Canada. Output increased 24 per cent over 1933.

ENGINEERS EXAMINE HENNING-MALONEY

Plan to Commence Drilling Underground and on Surface

From Our Own Correspondent

REGINA, SASK.—Diamond drilling will commence in the near future both underground and on the surface at the Henning-Maloney claims on Bootleg Lake, in Saskatchewan, not far from Flin Flon mines.

Jack Callinan, Wright Robson, geologist of Lake Shore Mines staff and Fred M. Porteous, engineer, are now on the property. Mr. Callinan has superintended Henning-Maloney operations since they started a year ago. The party will also look over Kirkland claims at Tartan Lake, in Manitoba, under option of the Henning-Maloney interests.

It is the intention of the present survey to estimate power requirements as power can be supplied quite easily, both properties being within four miles of the Flin Flon system.

Canada's Nickel Market Widens, Inco Head Shows

World Demand Grows and Spreads to Many Diversified Fields, 1934 Survey Reveals

In view of Canada's extensive nickel deposits centred in, but not necessarily limited to the Sudbury area, a recently released study of the nickel industry in 1934 by Robert C. Stanley, president of International Nickel Co. of Canada, gives well-founded basis for hope in the future of this industry.

Noting an improvement during the last 12 months in world industry, Mr. Stanley states that the nickel industry, in supplying a demand both world-wide and industrially diversified, has directly benefitted from this general improvement. World consumption of the metal in all forms for the first 10 months of 1934 was 102,780,000 lb. as compared with 77,600,000 lb. and 49,500,000 lb., respectively in the corresponding period of 1933 and 1932. The chief recovery was recorded in 1929 when world consumption amounted to 112,481,600 lb. in the first 10 months. Mr. Stanley believes that this objective may be attained again in due time.

Sales in the old world for the first 10 months of this year have equalled those for any similar period in previous history. The United Kingdom was the outstanding purchaser and Australia became during the year a substantial buyer of fabricated nickel steels. Factors contributing to this increase in market were the growing recognition of the automobile as an article of use rather than of luxury and the "hard" money policy to which many European countries have returned. Still other factors were the increasing popularity of nickel plating and the growing industrialization of Russia.

Better Demand Here

In Canada and United States increased volume in 1934 has resulted more from the better demand stimulated in established markets by general business improvement, than from the opening up of new industrial fields to the application of nickel. Transportation continued to be of outstanding importance, particularly the automotive industry in this hemisphere.

In this regard, Mr. Stanley says, "Whatever the results accruing to the nickel industry from one or another of these major markets, the policy of unremitting research and development maintained by the industry throughout the past five years has created the broad and diversified base on which nickel now shares in general recovery." To illustrate this point, Mr. Stanley submitted a table showing the changes which have taken place since 1926 in the distribution of nickel in the industrial world. He points out, however, that in considering these percentages, it should be remembered that all nickel cannot be traced to its final destination.

	1926	Current
Alloy steel used in motor cars, trucks and buses ..	36%	20%
Nickel silver and nickel copper alloys for a multitude of uses	18	18
Pure rolled nickel in the form of rods, strip, wire and tubes, used largely in the radio, in the chemical industries and for coinage	10	17
Alloy steel, inclusive of stainless steel, used in railroad equipment, farm implements, general machinery and miscellaneous applications	1	15
Nickel for plating and as undercoat in chromium plating	5	10
Monel metal used for engineering purposes and for household equipment ...	20	9
Alloy cast iron—castings of all kinds	1	4
Miscellaneous uses including magnetic alloys, nickel brasses, nickel bronzes, nickel aluminum alloys and white gold	4	4
Heat resistant and electrical alloys	5	3
	100%	100%

"Thus it will be seen," Mr. Stanley comments, "that within less than a decade, the base of world consumption has been definitely broadened from the 1926 situation when three categories of nickel application accounted for 74 per cent of the total."

Since current consumption is about twice as great as it was in 1926, the percentage decreases as shown in the above table do not necessarily reflect actual losses in tonnage of nickel consumed. Percentage increases on the other hand record correspondingly greater tonnage gains.

Autos Greatest Consumer

The automotive industry continues to be the world's largest single consumer of nickel and the increase in the number of automobiles being made throughout the world has contributed materially to the larger nickel consumption in the past year.

In this connection, Mr. Stanley states that the figures for the American industry show a total of 2,384,000 units built in the first nine months of 1934 as compared with 1,644,000 units made in the same period of 1933. An increase in production of trucks, and also the increasing substitution of large buses for electric radials were also important factors in the increased nickel demand.

While figures for Europe are not yet available, the increase in the automotive industry in that country is already affecting nickel consumption.

New Plating

During the year, "Bright nickel plating" was developed. This product, Mr. Stanley claims, requires no buffing or polishing and opens a larger field for nickel plate on many automotive parts which are difficult to polish. Among the many developments in the automotive industry affecting nickel, cited by Inco's president is an ingenious project started in England to develop trucks and buses propelled by gas, derived from British coal rather than by imported petrol. He states that several demonstration trucks have been constructed and a filling station has been built. Each truck carries its fuel supply in cylinders capable of handling the gas at a working pressure of 3,000 lb. The pressure in the filling station cylinders being 5,000 lb. per square inch. It is claimed that these pressures can be handled safely and are made commercially practical by the use of special nickel alloy steel for the containers.

The present trend in railroading toward greater speed and lighter weight is stimulating the use of nickel alloys Mr. Stanley states. The year was marked by many improvements in the rolling stock of railroads which required a considerable percentage of nickel alloys.

In the old world, the use of the automobile rail car had become established as a practical method of fast transportation. In France alone, 254 automobile rail cars were built in 1934, all using three per cent nickel steel, welded construction for the frame.

In marine construction, nickel alloys became more firmly entrenched in shipbuilding materials during the past 12 months. In aviation as in railroading, the trend is toward lighter and more efficient equipment, involving changes in both plane and engine design which broaden the field for nickel alloys, Mr. Stanley points out.

Nickel in Heavy Industries

In regard to the heavy industries, Mr. Stanley comments that whereas the durable goods industries of the United States continued to lag through most of the year, nickel further established itself in uses which should prove an important market as those industries become more active. Although the steel industry was particularly hard hit and operated at a low per cent of capacity, the percentage of alloy steels continued to increase.

In the section of his survey devoted to grey iron foundries, Mr. Stanley states, "In investigating the effect of nickel on cast iron, the nickel industry has not only brought out a number of uses for alloy iron but also has promoted research which has stimulated better foundry practice and higher physical properties of ordinary grey iron. Significant of the progress made in this line is the increase in the average tensile strength of unalloyed iron of 15,000 lb. per square inch about 20 years ago to 30,000 lb. today, with many foundries regularly supplying alloyed cast iron having strength valued in excess of 50,000 lb. per square inch."

Mining at Depth

Increased depths to which both oil and mining operations of various types are being carried, have developed the need of nickel. Especially noticeable in 1934 has been the widespread adoption of nickel alloy steel in production equipment. An experiment initiated in certain French mines has proved so successful, according to Mr. Stanley that it is being adopted in other mining areas. It is to construct the cages and ore skips of nickel alloy steel with a saving in weight which runs in some instances as high as 30 per cent.

In agriculture there have been two definite tendencies which may open a considerable market for nickel alloys in equipment, Inco's president states. There are the use of stronger, tougher metals in general and the increasing Dieselization of tractors and farm machinery.

The extensive manner in which various governments in both the old world and the new have launched into programmes of public works, has also been reflected in the nickel industry in 1934, Mr. Stanley states. Bridges, sewage disposal systems, water control and power projects all absorb their quantity of nickel. Nickel is also being used to an increasing extent in the textile industry. In this field, the three most important markets for this metal are in the manufacture of rayon, bleaching and dyeing of all textiles and their laundering and dry cleaning when soiled.

In the household field, the stimulus given to home modernization in the United States by the Federal Housing administration has been an important factor in developing the market and is expected to be even more important in 1935.

An interesting and little known phase of the nickel market is in its use for coinage. In 1934 one more country was added to the list of those adopting this metal for coinage. Ethopia became the 28th nation in this list by issuing ten million coins of 25 Roul denomination and five million pieces of 50 Alati denomination. At the same time France started placing a large temporary issue of five franc pieces weighing six drams with permanent coins double that weight. Canada and the Kingdom of Iraq are among the countries who replenished their stock of nickel blanks for coins of denominations already in circulation. With the return of business activity, there have been natural purchases of nickel for use in subsidiary copper nickel coinage, especially in the United States, Mr. Stanley says.

Among the other uses for nickel cited by the president are for jewellery, precision instruments, electrical and heat resistance application, radio and nickel plating. In all these, the use of nickel increased considerably in 1934

RENEWED ACTIVITY FORESEEN FOR 1935 IN HORWOOD AREA

Several Companies Did Exploration Work During Past Summer

From Our Own Correspondent

SUDBURY.—Among the mineral areas destined to witness renewed activity next year is the Horwood Lake section, in the unsurveyed territory north of Sudbury. The area lies directly west of the township of Hardman, and north of the townships of Newton and Dale. It is readily accessible from either Groundhog River station or Tionaga, both on the Canadian National, about 130 miles from Sudbury.

Operations in the district to date have been largely confined to surface exploration. Although the existence of gold-bearing quartz has been known for the last 25 years, no intensive prospecting has been done until recently. What is known as the Jessop discovery was made in 1918, after a small staking rush, and some years after Nipissing Mining Company acquired an option on the property. While making a test of the showing the Spruce Falls Pulp and Paper Company constructed a dam on the Groundhog River to provide more water, and the Jessop showing was flooded as the resultant raising of the water level.

Another small rush that resulted in the staking of 300 claims took place in 1933 when prospectors working northeast from Swayze found visible gold just east of the 24-chain portage on the Swayze River. The discoveries were uncovered on four different groups of claims about the junction of the south and northeast arms of Horwood Lake.

Provincial geologists who have made a study of the region report that it warrants a more intensive search for gold-bearing quartz veins.

Last summer several companies pursued exploration campaigns with the intention of undertaking diamond drilling programmes during the winter. Among them were Groundhog Gold Mines Limited, which owns the original Jessop claims, known as the Jessop-Seery group; the Moramo Gold Syndicate, W. E. Smith, G. A. Thorne, Lafever-Anderson and others.

EXCHANGE DE-LISTS AMITY COPPER STOCK

Predecessor to Amity Gold Will Surrender Charter

Shares of the old Amity Copper and Gold Mines have, at the request of the company, been delisted from the mining section of the Toronto Stock Exchange. The company, which was succeeded by Amity Gold, is to surrender its charter.

When Amity Gold Mines was formed, in March of this year, to take over the properties and assets of Amity Copper and Gold, the object was to refinance operations at the McEwan group of five claims, in Bourlamaque twp., Quebec, in which the company had a ninety per cent interest.

The original holdings consisted of a copper prospect in Boston Creek area, but low metal prices and uncertain results forced suspension of operations in 1930. During the summer of 1934, development work was done at the Bourlamaque property, with interesting results, according to company officials. Work was, however, suspended prior to the freeze-up, and the company has announced that further exploration work will be done at a later date.

Supreme Court Decides Against Siscoe Mines

By virtue of a judgment handed down last week in the Supreme Court of Canada, Felix Bijakowski, of Timmins, Ont., was awarded 30,000 shares of Siscoe Gold Mines stock with accrued dividends which he had claimed from the company.

The action arose out of a transaction whereby one Baillie was to have been paid $7,500 cash and 7,500 shares as a commission for inducing G. N. Coyle to invest $75,000 in the company in 1927 when finances of the mining concern were not in the best condition. Coyle stipulated that no commission was to be deducted from the money he invested, and that it was all to be used for development purposes.

To satisfy Baillie, the president and vice-president of the company, J. T. Tebbutt and Stanley E. Siscoe respectively, negotiated with Bijakowski and two other shareholders, Pluto and Hoffman, to hand over 10,000 shares of stock each to pay Baillie.

Bijakowski contended that these shares were loaned, not given, and the company had forgotten the shares and the benefit therefrom. The company maintained it was not a loan because the directors were not properly authorized to borrow and that it was not within Tebbutt's powers as president to make the transaction, and further, that the transaction was not approved by the board of directors.

The case was first tried before Mr. Justice Loranger in Montreal who found in favor of Bijakowski. On appeal to the Court of King's Bench the judgment was upheld. The case was then further appealed to the Supreme Court which has now announced its decision in favor of the plaintiff.

WAYSIDE RE-ELECTS BOARD OF DIRECTORS

No Estimate of Ore Reserves Made in Report to Shareholders

Shareholders of Wayside Consolidated Gold Mines at the annual meeting held in Vancouver last week approved the action of directors in proceeding with mill installation and in endeavoring to locate the downward extension of the vein. Directors were re-elected with the exception of Frank Eichelberger, former president. The vacancy is to be filled by the directors who were re-elected.

P. E. Ritchie, managing director, submitted a report reviewing the year's operations. From the opening of the property to Dec. 1, 1934, the following work was completed: 7,010 feet of drifting and crosscutting; 410 feet of raising; 5,000 feet diamond drilling; 513 tons of ore milled; 2,381 tons of ore broken; 1,868 tons of ore broken and in storage underground; 1,081 tons of ore stoped.

Mr. Ritchie stated that no attempt was being made in the report to estimate ore reserves. He says: "I would much prefer that this matter be left in abeyance until we have had more time to continue our stopes and at the same time as on the sub-level and the turn-over sublevel both between the fourth and fifth adits we are in ore. It is our intention to stope this ore out and to endeavor to locate the fault that has upset this ore shoot carrying through to the fifth level and until such time as this has been completed I would prefer to delay estimating any potential tonnage other than to repeat that we have considerable milling ore blocked out within the shear, in addition to the high-grade West vein system.

The report discloses that during the first 27½ days of milling operations tonnage handled amounted to 513 tons giving a recovery of 102 oz. of gold bullion valued at $3,468 and three tons of concentrates worth $266. The net recoverable value of tails in storage is estimated at $1,000. Total milling costs for the period were $6,735. Mining and milling costs averaged $2.81 per ton.

Ontario Gold Production 2,430 Ozs. Lower in Nov.

Decline Due to Curtailed Output in Kirkland Lake Camp — Production Valued at $5,877,396

The output of Ontario's gold mines for the month of November showed a slight decline from the previous month, the loss being due to curtailed production of mines in the Kirkland Lake area. Both Porcupine and Northwestern Ontario mines recorded an improvement in recovery.

Output for the month was valued at $5,800,989 as against $5,877,396 in October. For the 11 months ended Nov. 30 recovery was valued at $63,976,738, an increase of 44.9 per cent over the corresponding period of last year when production had a value of $44,131,068.

Both the Kirkland Lake and Porcupine camps showed a decline in tons of ore milled while tonnage of the Northwestern producers increased. The average recovery for Porcupine producers was $9.17 per ton; Kirkland Lake mines, $14.30 per ton; and Northwestern Ontario, $5.15 per ton. Average recovery from all ore milled by the various mines was $10.43 in November, which compares with $10.25 per ton in October.

Ontario's producing gold mines in order of output for November, by camps, follow:

Porcupine Camp—Hollinger, McIntyre, Dome, Coniaurum, Buffalo-Ankerite, Anglo-Huronian, Paymaster, Marbuan.

Kirkland Lake Camp — Lake Shore, Wright-Hargreaves, Teck-Hughes, Sylvanite, Macassa, Young-Davidson, Kirkland Lake, Toburn, Ashley, Barry-Hollinger, Moffat-Hall, McMillan.

Northwestern Ontario — Howey, Central Patricia, Parkhill, St. Anthony, Northern Empire, Ardeen, Minto, Casey-Summit, J. M. Con solidated.

Comparative figures for 1933 and 1934 are tabulated below:

Output of Ontario Gold Mines

Source and period:	1933 Tons Milled	1933 Value $	1934 Tons Milled	1934 Value $	1934 Gold oz.	1934 Silver oz.
Porcupine Belt:						
First quarter	825,644	6,378,001	876,905	7,932,734	228,837	50,971
Second quarter	842,038	6,225,963	897,563	8,194,800	234,539	17,152
July	277,475	1,811,365	314,145	2,720,509	76,042	6,303
August	291,391	2,001,625	320,218	2,871,027	86,823	48,134
September	282,789	1,796,241	321,019	2,721,819	76,393	5,962
October	295,475	1,705,448	334,643	2,855,756	83,630	6,642
November	290,601	1,796,552	317,944	2,916,359	85,172	39,320
Total	3,105,413	21,715,195	3,391,437	30,213,004	871,436	174,484
Kirkland Lake Belt						
First quarter	433,754	6,391,557	490,289	8,453,863	249,032	43,006
Second quarter	445,609	5,911,329	505,506	8,969,943	261,415	48,224
July	154,484	1,924,852	170,358	2,853,782	84,139	17,967
August	154,289	1,833,459	173,100	2,918,015	87,008	16,574
September	145,566	1,614,776	170,116	2,575,822	77,070	15,108
October	157,434	1,725,326	186,880	2,767,380	82,395	14,065
November	153,545	1,653,858	180,915	2,588,546	77,200	13,473
Total	1,644,681	21,055,157	1,877,164	31,127,356	918,259	168,417
N.W. Ontario:						
First quarter	101,167	431,499	133,192	651,399	19,159	12,033
Second quarter	95,860	430,614	142,360	664,585	19,118	10,340
July	30,676	111,469	50,038	251,139	7,237	2,829
August	35,243	108,011	58,624	269,908	7,754	3,177
September	26,520	77,089	55,342	249,003	7,118	4,378
October	31,797	100,348	51,431	254,260	7,368	4,167
November	39,721	101,685	57,372	296,084	8,531	5,042
Total	360,984	1,360,715	548,359	2,636,378	76,225	41,966
Total:						
First quarter	1,360,565	13,201,057	1,500,386	17,038,001	497,028	106,010
Second quarter	1,383,507	12,567,901	1,545,429	17,829,328	515,072	75,716
July	462,635	3,847,686	534,541	5,825,430	167,418	27,099
August	480,923	3,943,095	560,942	6,058,950	181,585	67,885
September	454,875	3,488,106	546,477	5,546,644	160,581	25,448
October	484,706	3,531,123	572,954	5,877,396	173,333	24,874
November	483,867	3,552,095	556,231	5,800,989	170,903	57,835
Grand total	5,111,078	44,131,068	5,516,960	63,976,738	1,865,920	384,857

Note—The values for 1933 transposed to Canadian funds by applying the average monthly exchange rates. Values for 1934 computed on current price of gold.

Sturgeon River Gold Mines Uncovers Vein Extension

Officials of Sturgeon River Gold Mines, promising young subsidiary of Coniagas Mines, report that an extension of the No. 3 vein has been uncovered on the Sturgeon River property which brings the total length of the vein up to 900 ft. with both ends open.

Two sections of the vein, lying in swampy ground, have not yet been stripped. Channel sampling on the latest extension show exceptionally high values but average values have not yet been announced.

The company is at present drilling this showing, and state that 15 drill holes prove the continuation of values at depth. Work, under steam power, is at present under way on hole No. 16.

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New Ore Shoot At God's Lake Has Good Grade

Robert J. Jowsey, president of God's Lake Gold Mines, of Manitoba, reports that underground developments on the first level, have opened up a new ore shoot, known as ore shoot number 1-2, having a value of .31 ounces for a length of 39 ft. and over a width of 3.5 ft.

Summary of the ore shoots to date is as follows:

Level:	Ore shoot	Value oz.	Width ft.	Length ft.
1st	1-1	0.65	8.2	261.8
1st	1-3	0.39	5.8	130.7
1st	1-5	0.24	5.0	50.9
1st	1-2	0.31	3.5	39.0
2nd	2-1	0.48	5.5	359.8
2nd	2-3	0.64	5.1	101.3
2nd	2-3	0.55	3.2	58.7

VIDETTE MINES MILL HANDLING 33 TONS DAILY

Rush Development Work at Vidette and Monashee Properties

From Our Own Correspondent

VICTORIA, B.C.—Operations are being speeded up at the Vidette and Monashee Mines with crews being increased from the present total of 70 to 85 in order to rush scheduled development work to completion ahead of time, it is announced.

Gorden F. Dickson, managing director of Vidette Gold Mines stated that with ample funds now available it is the intention of the company to complete exploratory work on the Vidette property at the earliest possible date and to complete development at the Monashee in order to make a decision on mill plans in the spring.

Development Work

Main development work at the Vidette is at present being concentrated on the deepening of the winze on the Broken Ridge section of the property which is being sunk from the first level to follow the vein down and open it up below the present No 3 level. From the work already done, the mangement found that the No. 3 workings were actually underneath the vein which faults in a series of flat dips.

At the present time, according to Mr. Dickson, millfeed is being drawn from the first level north and the ore block between the first and second level in this area is now being prepared for stoping. It is estimated that the completion of the winze in the Broken Ridge section and opening of the vein beyond the third level will give additional ore reserves of some 20,000 tons.

The mill is handling about 33 tons a day. Mining, milling, development and general costs are averaging about $10 a ton. A profit of $6,000 was realized in the month of November.

Monashee Ore Reserves

At the Monashee, in which Vidette holds a 60 per cent interest, there is already indicated, said Mr. Dickson, about 45,000 tons of ore in the intermediate tunnel which has been driven for a distance of 830 feet on the vein.

He said that operations were now being carried on on three levels, two of them on the vein and the third or lowest being driven to intersect the vein. The vein averages 2.5 ft. in width and has been opened for a distance of 1,000 ft. Average values are given as $12 per ton with some fairly rich sections and larger sections running between $6 and $9 per ton.

Increase in the speed of development here will mean the driving of 800 ft. per month as against the present 350 ft. and will enable the management to decide on the size of mill to be constructed by the end of March, 1935.

"It is quite probable that we will install a 100-ton mill or a 100-ton unit to begin with, so that it can easily be increased to 150 or 200 tons a day," said Mr. Dickson. "Because of the nature of the ore and the fact that all mining will be done by gravity, costs will be exceptionally low and even with a 100-ton mill I am confident that they will not exceed $5 per ton."

Reorganization Proposed For Wendigo Gold Mines

Shareholders of Wendigo Gold Mines, which is developing a gold prospect in the Kenora district of Ontario, are being asked to consider a proposal whereby financing required to bring the property to the production stage will be facilitated. The proposal entails the formation of a new company, called Wendigo Mines Ltd., which will acquire the assets of the present company.

According to a letter to shareholders over the signature of Henry D. Tudor, president, the new company will have an authorized capitalization of $2,000,000. Shareholders in Wendigo Gold Mines are to receive one share in the new company for each two held. This will leave 1,100,000 shares in the treasury of the new company for further financing.

The letter states that engineers estimate that to date 40,000 tons of ore have been blocked out which it is expected will run $12 to $15 per ton, and this is being added to by drifting on the 500-ft. level.

GREENE-STABELL HAS TRIPLE HOPE HAMMELL THINKS

Profits from Mill Used for Further Development

While operations on the known ore body of Greene-Stabell Mines are proceeding nicely the company is also carrying on active exploration work to discover additional ore bodies according to a letter to shareholders over the signature of J. E. Hammell, president, in which he reviews operations since the mine was brought into production.

There are three possibilities of further ore bodies being developed, Mr. Hammell states, one in the area beneath the company's present workings and the other two in the granodiorite contact area which has been disclosed by diamond drilling. This year a long crosscut was driven on the 600 ft. level to reach the granodiorite area. Drilling from the crosscut has not given the desired results since the holes have not reached the depth to which they were supposed to have gone. Gravel fissures, caving ground and excessive water necessitated the work being halted for the present. An attempt is to be made to seal up some of the fissures by cementing the present holes and continuing them. The area beneath the present workings is at present being explored by drilling.

On the company's known ore body several new ore shoots have recently been opened up and also short additions to the previous ones. The mill is now operating steadily at approximately 2,100 tons a month. The value of recovery in November was $27,000. The profit from milling operations, according to Mr. Hammell, is being spent on extensive development work.

Little Long Lac Gold Mines — Commenting on early production figures from this new gold producer, Joseph Errington, president, has pointed out to The Financial Post that the two bricks recently poured, which made a total of 1,091 ounces of gold, represented only about 50 per cent of the gross recovery. It is estimated that there is an equal amount of gold being recovered by the cyanide process.

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Frederick H. Smith, *Secretary-Treasurer.*

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Frederick H. Smith, Partner, Read, Smith and Company, Accountants, Regina, Sask.
Frank J. G. Cunningham, Barrister and Solicitor, Regina, Sask.

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TRANSFER AGENTS
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SOLICITORS
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AUDITORS
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BLAZE AT GRANGE CUTS MILL RATE FOR BRIEF PERIOD

Plans Include Extension of Third Level and Raises from Sixth

From Our Own Correspondent

VICTORIA.—The fire which destroyed the living quarters at the Grange Mine this week has cut down milling operations for the time being, according to officials of the company. Up to the time of the fire, the mill had been treating about 40 tons a day being brought up gradually to its rated capacity of 60 tons, but with the bunk-house and dining room wiped out by fire, the full complement of men cannot be kept at the mine.

At the present time, the buildings are being reconstructed with lumber already on the property and should be in shape for occupation again in a short time The loss was fully covered by insurance but while rebuilding is being carried on the mill is only operating 12 hours a day and treating between 25 and 30 tons of ore while underground work has also been necessarily slowed up.

Underground Plans

Latest underground developments according to A. J. Gaul, consulting engineer, include the extension of the third level south and the driving of raises in both north and south sixth.

The 6th level south has now been advanced 200 ft. from the shaft in ore all the way, the vein averaging two ft. in width and currently supplying mill feed of .8 oz. gold per ton. At some points the vein is only a ft. wide while in others it widens to over five ft. Careful sampling indicates that the vein for the entire 300 ft. it has been opened on the sixth level averages .79 oz. gold per ton.

A raise from the 6th level north is being put through to the 4th level and another in sixth south to the third level to provide ventilation, and several stopes have been opened up notably one in sixth level north in the high-grade section where J. W. Southin, superintendent, reports about 200 tons of two oz. ore broken in the stope ready for shipment.

Mining Concerns Newly Formed

Bellorian Mines — Ont. Incorp., Dec. 1; H.O., Cobalt, Ont.; Author. capit., 1,000,000 shs., n.p.v.

Crossroads Gold Mines Ltd.—Ont. Incorp., Dec. 3; H.O., Toronto; Author. capit., $1,000,000, par $1.

Goldfinders Ltd. — Ont. Incorp., Dec. 1; H.O., Toronto; Author. capit., $40,000, par $1.

Manitou Gold Ltd.—Ont. Incorp., Dec. 1; H.O., Toronto; Author. capit., $3,000,000, par $1.

Raven River Mines—Ont. Incorp., Nov. 23; H.O., Toronto; Author. capit., $2,500,000, par $1.

Central Bank Aspirant

JACK E. HAMMELL

One of Canada's best known mining men, president of Pickle Crow Gold Mines, Greene-Stabell Mines, Harker Gold Mines and Northern Aerial Canada Golds Ltd., who has been nominated as a director of the Central Bank of Canada.

Delve for Gold In Farming Area At Port Arthur

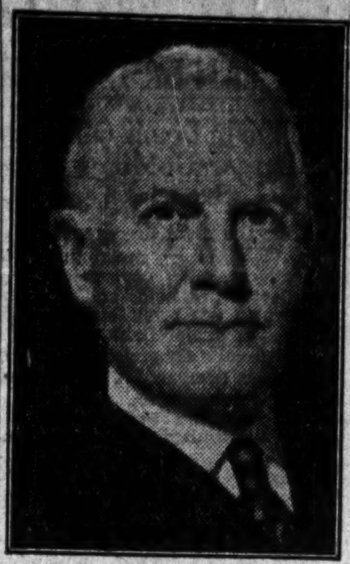
From Our Own Correspondent

SUDBURY.—In the midst of the farming area about 35 miles west of Port Arthur, on the trans-Canada highway, diamond drills last week-end commenced delving for gold. The property, surrounded by homesteads, was taken up last summer by T. H. Rea of Hard Rock Gold Mines and associates, after W. W. "Hardrock" Smith had made an examination. When surface indications proved promising it was turned over to Birch Bay Gold Mines and to Goldale, and for a better name at present the property has been nicknamed the Gold Ranch.

Surface showings on a ridge striking east and west were traced for 1,000 ft. or more. Intensive sampling and testing was done on a section of 100 ft. or more and the work gave such indications of a large medium grade gold deposit that diamond drilling was deemed advisable. The surface showings are over a width of 35 ft. or more. The containing rock is principally rhyolite.

A. W. Jeckell, formerly of Wright-Hargreaves, is in charge of operations.

Central Bank Nominee



J. P. WATSON

Aggressive president of the extensive Mining Corporation of Canada, who has been nominated to represent mining interests on the board of the Central Bank of Canada. Other mining nominees are John E. Hammell and Sir Thomas Tait.

The Story of a Mine. 8

Promoters—Their Role

Many Essential Differences Between Syndicate and Company Investment —What to Look For

To date, the setting for the Story of a Mine has been, almost exclusively, the property itself. This is what is known as talking "minewise."

We must now take up the threads from an equally important centre of activity, the market, or promotional end. In other words, we must talk "marketwise."

Unfortunately, the word "promoter" has come to have an almost sinister meaning whereas the promoter is just as important a figure as the engineer. Similarly, it is just as vital that he be a man of integrity, experience, and reputation.

The development work outlined in previous articles is a costly business. Our mine has not yet started shipping bullion, and financially, everything has been "outgo" with no "income." This is where the promoter comes in.

The number of companies which later developments have proven, had potentially profitable properties, but which went on the financial rocks before the mine came into operation. is evidence enough of the difficulties which beset a promoter It is his responsibility chiefly to see that the treasury is supplied with enough funds to foster the mine through the costly non-productive stage. If he fails in his job, the project is a failure; the property is perhaps sold to a large concern for a song, and the shareholders are lucky to "get out with his shirt."

The Government's Part

The point is that when a new issue is floated, investors should be careful to examine the credentials of the promoter, or house underwriting the issue.

Everyone knows that there have been crooked mining promoters in the past and there will doubtless be crooked mining promoters in the future. But more and more, governments, not only in this country but in others are taking steps to surround the profession of promoting with so many legal fences, that eventually the public will have only itself to blame if it gets "taken in." In adopting such policies, the governments have to steer the ticklish course between unbridled promotion, and promotion so weighted down with legal technicalities, that the mining industry would be materially hampered.

The promoter enters the picture early in the story. Unless they are sent out as scouts for some large concern, most prospectors are without a large amount of capital. Before development work has proceeded very far, the public must be brought in to pay for its cost.

The Grubstake

The first actual financing in the story of a mine, is the grubstake. Whether this is provided by one man, a small group, or a large concern makes little difference. Somebody has to pay the prospector for his time and expenses.

The second step in financing is the formation of the syndicate. The syndicate is formed after a prospector has found something which he thinks warrants more work. He reports to the man, group or concern which grubstaked him. Then a syndicate is formed, and the public enters the picture, unless the concern is a private one.

Judging from enquiries received by The Financial Post, too few investors are sufficiently acquainted with the status and objectives of a syndicate. Many write as if a syndicate were already a limited company with definite assets. The chief asset of most syndicates is Promise. It must incur liabilities if development work at the property is to succeed. And, unlike a limited company with non-personal liability, every unit holder in a syndicate is responsible, separately and jointly, for these liabilities, as in a partnership.

If the syndicate is well managed. (note how often the personal element enters our story of a mine) this hazard is not as great as it may sound. A soundly managed syndicate keeps its expenses within the bounds of its treasury, filled, of course, by the sale of units. Thus if development work proves that the property is not worth spending more money on, all the unit holder has lost is his initial investment.

Rewards Great

Another hazard which the syndicate unit holder has to face, is that up to the time the syndicate is formed comparatively little is known of the property. It is extremely difficult if not impossible to estimate the merit of a raw prospect. In the ordinary course of events, no diamond drilling has been done, and little surface work.

It would be hard to estimate the number of syndicates which have passed out of existence before becoming registered companies. It is known that of the thousands of mining companies which have been formed in Canada, only about 150 are in production today. From these figures, some idea of the mortality rate among syndicates may be had.

Great, however, as are the hazards which face the purchaser of syndicate units, the amount of the prospective reward, if the syndicate does come through, is sufficiently large to make the investment, provided the personal element and preliminary property examination are checked, and double checked, well worth while. The advantage of getting in on the ground floor is obvious.

"With Reservations"

We must assume that our particular mine has passed through the hazardous syndicate stage satisfactorily. Preliminary development work has shown the property to be well worth a more extensive exploration programme. In this case a company is formed, and gets its charter, either from the province, or from the Dominion. The unit holder will receive a varying number of shares in the company for each unit held. He is now relieved of his liability, as a partner in the syndicate, and may, with due reservation, congratulate himself.

But there is still the "outgo." The newly formed company still needs money, and options a block of its stock to some reliable mining broker. The word option has come to have a variety of meanings.

In a "firm" underwriting, which is the most ideal form, from the point of view of the investor, the mining brokers actually buy the block of stock, and the purchase price minus a commission goes into the treasury of the company.

More frequently, the mining broker takes options on the stock, sometimes at graded prices, increasing at regular intervals. The amount of the commission which the broker takes varies, but is limited by law to 25 per cent.

A Right to Know

Investors should see to it that the amount of money which goes to the treasury of the company is stated. Some brokers take the view that if this is stated, the public believes it is being cheated if it buys the stock at a higher price than that paid by the broker. Most thoughtful investors realize, however, that a broker, like a laborer is worthy of his hire, and must receive a reasonable commission for the responsibility he takes and the work that he does. Out of his commission, he must pay his overhead, staff, advertising, and numerous other expenses in connection with marketing the issue. Bearing this in mind, the investor is entirely justified in demanding to know how much of the money which he pays for his stock is going into development at the property. This applies just as much in the case of company issues as with syndicates.

There are many other things which a prospective investor is entitled to know, if he would avoid the pitfalls which await the incautious investor. These will be made the subject of another chapter in the story of a mine.

Grull-Wihksne Mines Liquid Position Strong

Grull-Wihksne Gold Mines in its first annual report to shareholders covering operations from incorporation on June 17, 1933, to Oct. 31, 1934, reports an expenditure of $103,019 during the period on buildings and equipment and on development of properties. Miscellaneous income totalled $5,212, leaving a balance of $97,807 to be carried to balance sheet.

A strong liquid position is shown by the company's balance sheet as at Oct. 31. Current assets total $98,-028 as against current liabilities of $987.

Calling attention to the fact that the company's property adjoining Bralorne Mines in the Bridge River area, B.C., has been abandoned on the advice of Col. H. H. Yuill and Dr. H. T. James, consulting geologists, W. C. Ditmars, president, states that in view of the strong financial position of the company and its excellent machinery and equipment the directors feel that a very advantageous proposal can be secured regarding another property. A number of proposals have been considered and when a suitable one has been received it will be submitted to shareholders for consideration.

PICKLE CROW REPORTS LARGE ORE RESERVES

Average Assay of 1.01 ozs. of Gold Across Three Feet

Charging that bear raids have recently been made on the capital stock of Pickle Crow Gold Mines for the specific purpose of destroying public confidence and depressing the price of the shares so that they might be purchased at greatly reduced prices, J. E. Hammell, president of the company, has sent a letter to shareholders in which he states that he has never known a property the outlook of which was so bright at the same stage of development.

Shareholders are asked by the letter to keep the following salient facts in mind: (1) Three million dollars worth of ore has been developed on the first three levels to date, with east and west faces on all levels still in ore. (2) Diamond drilling has proven the existence of the ore bodies to a depth of 100 ft. below the 375-ft. level. (3) Hydro-electric power will be available, and a mill with an initial capacity of 125 tons per day, and capable of being stepped up to 200 tons per day at slight additional expense, will be in operation early in 1935. (4) Sufficient funds are available to bring the mill into operation and place the mine on a producing basis. (5) To date 2,442 ft. of drifting in ore has proved an average of 1.01 ounces of gold per ton across an average width of three feet.

Awaiting Power

Latest reports from the property indicate that recent development has been confined to the 125-ft. and 375-ft. levels. Because of water seepage it has been deemed advisable to discontinue work on the 250-ft. level until more power is available. On the 125-ft. level drifting has been continued for another 130 ft., the average value being $27 per ton over an average width of three feet. On the 375-ft. level a further 137 ft. of drifting has been done, average value being $38 over three feet.

TRAIL ORE RECEIPTS SHOW LARGE INCREASE

Shipments 57 Per Cent Higher Than Last Year

Reflecting the increase in mining activity in British Columbia during the current year, ore and concentrate receipts at the Trail smelter of the Consolidated Mining and Smelting Co. of Canada from Jan. 1 to Dec. 14, 1934, have increased 57 per cent over the 1933 total, amounting to 521,335 tons in the 1934 period as compared with 331,224 tons in the whole of 1933. Shipments from the company's own mines have increased 43 per cent and from other mines 216 per cent. Receipts from non-company mines in 1934 totalled 88,-065 tons as at Dec. 14.

For the period Dec. 8 to Dec. 14. inclusive, receipts totalled 11,618 tons. Of this amount 11,077 tons were shipped from the company's mines. A detailed statement of receipts for the period is given below:

Name of Mine:	Tons
Bell	49
Euphrates	30
Good Hope	4
Granite	37
Jumbo	27
Knob Hill	107
Lone Pine	55
Meteor	2
Number Seven	42
Porto Rico	28
Sally	53
Tom Thumb	476
Nicola (concentrates)	48
Reno (concentrates)	17
	541
Company's mines	11,077
Grand total	11,618

Northern Aerial Assets Reviewed by Hammell

Northern Aerial Canada Golds, Ltd., which was formed in February, 1933, to acquire the assets of Northern Aerial Minerals Exploration Co., owns 649,994 shares of the capital stock of Pickle Crow Gold Mines, worth in excess of $1,000,000 at current market prices, according to a letter which has been sent to shareholders of Northern Aerial Canada Golds over the signature of J. E. Hammell, president.

In addition the company holds 500,000 shares of the capital stock of Yukon Border Placer Golds Ltd. and 1,100,002 shares of the capital stock of Stabell Lake Gold Mines. The capital of Stabell Lake Gold Mines represents a major interest in 17 claims in Dubuisson Twp., Quebec, which immediately adjoin Greene-Stabell Mines. These claims, formerly known as Sullivan Extension claims, are under option to Greene-Stabell Mines which is carrying on exploration work on them.

The company also holds a half interest in a gold prospect comprising 400 acres in Bourlamaque Twp., Quebec, and 600 acres in Tiblemont twp. The former property immediately adjoins the property of Lamaque Gold Mines, which is controlled by Teck-Hughes, and the Sigma property, which is being developed by Dome Mines.

ON BEHALF of the Management, the Engineering, Manufacturing and Sales Staffs, who have alike benefited by the pleasant business relations we have had with Canadian Companies during the past year, we take pleasure in expressing our sincere thanks for the business which has been entrusted to us.

May the coming year be one of increasing happiness and prosperity.

SOREL STEEL FOUNDRIES LIMITED
P. H. DESROSIERS, *General Manager*
SOREL MONTREAL TORONTO SWASTIKA VANCOUVER

CASEY CONTACT MINES INCREASES CAPITAL

Engineer Recommends Shaft for Sturgeon River Property

Supplementary letters patent have been issued increasing the authorized capitalization of Casey Contact Gold Mines from $3,000,000 to $3,500,000 This implements an arrangement which was approved by shareholders at a special general meeting recently, whereby Casey-Contact took over the Brennan-Kenty east group of claims in the Sturgeon River area for a consideration of 800,000 shares and $30,-000 in cash. The outstanding capitalization of Casey Contact is now $2,200,000.

Originally Casey Contact took over the development of the Brennan-Kenty property under an option agreement which called for the formation of an operating company in which Casey Contact was to have a two-thirds interest and Brennan-Kenty one-third. Following examination of the property by engineers, it was decided to acquire the property outright.

J. C. Finnan, M.E., in his report to officials of the company, recommends immediate shaft sinking on the Sturgeon River property to a depth of 275 ft. with stations cut a depth of 125 ft. and 250 ft. Cost of equipment and wages for sinking is estimated at $37,500.

A crew of 20 men working under the direction of J. G. Kenty has stripped No. 1 and No. 2 veins, which, according to the report, now appear the same, for a distance of 250 ft., where a fold occurs throwing the vein south. From the point of the folding south the vein has been trenched for a distance of 90 ft., where the overburden became too heavy for economical surface exploration. Gold was visible along this vein for a distance of 125 ft. No. 7 vein has been stripped for a distance of 375 ft., No. 6 vein for 250 ft. and No. 4 vein for 100 ft, In regard to channel sampling the report states that on No. 7 vein an ore shoot of 85 ft. is indicated having a value of $45.24 over 1.2 ft.

Judge Reserves Decision in Nicola Entanglement

Judgment has been reserved on an application of J. A. Russell, Vancouver barrister, to dissolve any injunction which enjoined him from proceeding with an investigation under the Securities Act in the Nicola Mines and Metals, reports from the West state.

C. W. Craig, K.C., was counsel for the plaintiff, Barclay & Company, New York; M. E. Erdofy, Seattle, and A. D. Macdonald, K.C., and R. V. Prenter were counsel for Mr. Russell. Plaintiff contended that Russell, instead of investigating the company as instructed by the attorney-general, was investigating the plaintiff's stock market activities. He also argued that the enquiry was contrary to natural justice because the plaintiff had not been permitted to cross-examine witnesses and had not been allowed to obtain a transcript of the evidence. The injunction had been granted by Mr. Justice T. A. McDonald.

Algold Plans Production from Goudreau Property

Algold Mines, which is operating the property formerly owned by New Goudreau Gold Mines in the Goudreau district of Ontario, plans to commence production early in 1935, The Financial Post is informed by an official of the company. The mine has been dewatered to the 200-ft. level, all timber and track work inspected and reconditioned and at the present, work is being concentrated on blocking out ore in preparation for milling operations. The mill, which has a rated capacity of 50 tons daily, has also been put in shape.

R. F. Mitchell, M.E., mine manager, in a recent progress report states that the vein which shows on surface at No. 1 shaft may be followed in the shaft walls to the 200-ft. level, and free gold can be seen in places. A "high grade" shoot has been traced down as far as the 140-ft. level and is showing on the 100-ft., 120-ft. and 140-ft. levels, where previous operators obtained high grade millfeed.

Mr. Mitchell states that it is proposed to cut a raise from the 120-ft. level east to the 100-ft. level, following the high grade ore that can be seen on both levels. Raises will also be cut both east and west of the shaft from the 140-ft. level. The east raise will be taken to the 120-ft. level and the west raise through to the 100-ft. horizon. This will enable stoping by the "underhand" method.

The report states that between the 200- and 100-ft. horizons there has been no work done with the exception of the two-sublevels and that ore above the 100-ft. level was little more than half mined.

Further Drilling Needed at Magnet Lake Property

Official word from E. F. Creelman, in charge of operations on the property of Magnet Lake Gold Mines, states that the company's drilling programme is proceeding satisfactorily. No. 6 drill hole has been completed while No. 5 has several hundred feet yet to go. The latter hole is being continued in expectation of cutting a new vein a short distance to the north of the main zone. Although the majority of the new sections have yet to be assayed, Mr. Creelman states that values as high as $15 have been obtained in Hole No. 6 and $12 in hole No. 5.

Drilling No. 7 hole has already been commenced, cutting underneath No. 1 hole at depth. Further drilling will have to be done before definite decision is made as to shaft sinking.

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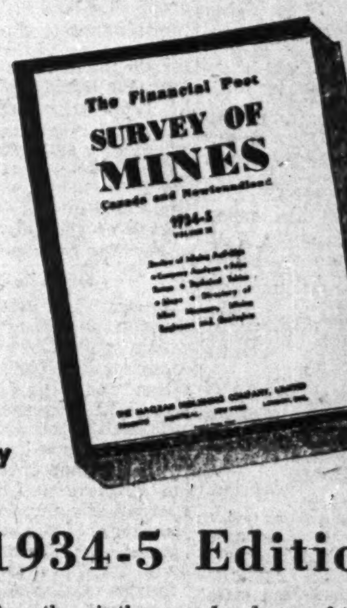

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BK. OF COMMERCE COVERS DIVIDENDS BY GOOD MARGIN

Higher Investments in Liquid Securities Tend to Cut Profits

DEPOSITS JUMP

Branch Closings Effected Without Loss of Volume Strengthen Earning Capacity, Says S. H. Logan

Net profits of The Canadian Bank of Commerce for the year ended Nov. 30, 1934, were the equivalent of $11.38 a share before deduction of depreciation and taxes, compared with $12.16 in the preceding year. After allowing for the write-off of premises and Dominion and provincial taxes, earnings amounted to $8.88 a share, compared with $9.83 in the 1933 year. Thus the eight per cent dividend on the $100 shares was covered by a good margin.

The bank is one of those which has increased its deposits substantially, but which has found its loans shrinking, and has increased its investments in high-grade securities. Because of declining interest rates on such investments, profits have been affected adversely. The trend, however, improves the liquid position.

Earnings comparison follows:

Income and Surplus Account
Years Ended Nov. 30

	1934 $	1933 $
Net profits	3,413,655	3,648,832
Less: Dividends	2,400,000	2,550,000
Pension fund	246,838	226,165
W/o premises	150,000	150,000
Taxes	600,000	550,000
Donations	......	30,000
Surp. for year	16,817	142,667
Add: Prev. surp.	662,167	519,500
Balance fwd.	678,984	662,167

Branch Closings

S. H. Logan, general manager of the bank, points out in the annual report that branch closings in the year were effected chiefly by exchange with other banks, or by transfer of the business of the closed branch to an adjacent office of the Bank of Commerce. This policy, he says, "results in consolidating the business of the bank without loss in volume and strengthening its earning capacity by eliminating unproductive branches." Branches at Nov. 30 totalled 669. Of the closings of the branches in Mexico and Rio de Janeiro, Mr. Logan states: "It was found that changing conditions no longer permitted their operation at a fair margin of profit."

Higher Deposits

Increases in deposits are among the features of the balance sheet. The bank has issued a special comparison of deposits taking into account the changes necessitated by the revised Bank Act. This comparison shows a gain of $4,677,338 in all governmental deposits; $12,000,000 in non-interest bearing deposits and $7,000,000 in interest bearing deposits; a total increase of nearly $19,000,000.

Changes in Assets

On the asset side of the balance sheet, the major changes in revenue-producing items are decreases in Canadian current and call loans, in current loans abroad, and in holdings of other than governmental securities. Government securities, this year divided into those maturing in two years or less and those for longer term, were up about $33,000,000. Call loans abroad gained some $2,000,000.

These changes in the revenue-producing items show distinctly the trend toward investment in highly liquid assets, which, however, produce less revenue than loans. This is also indicative of the sluggish revival of demand for loans by business. The changes are believed to be important in reducing bank profits.

Comparative balance sheet figures follow:

GENERAL STATEMENT
As at November 30

	1934 $	1933 $
Assets— Immediately Available Liquid Resources		
Specie	10,461,516	16,778,500
Dominion notes	37,389,891	37,087,099
Dep. in gold res.	4,000,000	....
Due by for. banks	16,461,815	15,379,866
Foreign currency	3,812,755	4,978,411
Gov. secs. to '36†	81,627,154	101,913,936
Gov. secs. longer†	53,477,375	
Call loans abroad	32,349,967	30,409,250
	239,580,473	206,547,062
Loans and Securities		
Can. pub. secs.†	12,671,170	39,266,779
Other pub. secs.†	10,770,812	
Other securities†	4,951,951	12,172,659
Can. call loans	25,547,841	29,413,586
Can. curr. loans*	206,324,084	211,631,666
Curr. loans abroad*	13,667,895	16,628,653
	273,933,733	309,113,343
Due From Other Banks		
Notes of other bks.	1,130,095	1,033,530
Cheques, other bks.	19,286,968	16,463,562
Due by other bks.	7,401	15,456
	20,424,464	17,512,548
Other Assets		
Non-current loans	3,450,818	2,376,658
Real estate	2,416,366	2,533,550
Mortgages	2,523,786	2,545,204
Letters of credit	12,716,950	12,952,125
Premises	14,705,147	14,871,772
Dep. re circulation	1,250,000	1,250,000
Shs. subsids.	3,947,833	4,017,124
Other assets	364,416	476,617
	41,375,316	41,023,050
	573,314,009	574,196,003
Liabilities— To the Public		
Circulation	25,972,960	23,444,806
Govt. advances	7,000,000	15,000,000
Deposits by public:		
Non-int. bearing	98,976,439	94,682,969
Interest bearing	356,926,553	352,324,242
Gov't. deposits:		
Dominion	7,407,801	....
Provinces	7,160,575	....
To banks abroad, etc.:		
Foreign banks	6,946,876	22,998,641
Bills payable	49,617	51,511
Letters of credit	12,716,950	12,952,125
	523,157,771	521,454,294
Due Candn. banks	872,737	1,469,607
To Shareholders		
Dividends	604,517	609,935
Reserve	20,000,000	20,000,000
Capital	30,000,000	30,000,000
Surplus	678,984	662,167
	51,283,501	51,272,102
	573,314,009	574,196,003

*After provision for bad debts.
†Not exceeding market value.

Can. Biscuit Bondholders Meeting Again Postponed

Meetings of the holders of the prior lien and first mortgage bonds of Canada Biscuit Co. which were scheduled for Montreal on Dec. 24, 1934 have again been adjourned.

It is expected, that the postponed meetings to approve of a plan of capital reorganization submitted by the directors of the company will be held early in 1935.

Royal Bank Net Earnings $8.92 Per Share in 1934

Net profits of The Royal Bank of Canada, after allowing for taxes and write-off of premises, amounted to $8.92 a share in the year ended Nov. 30, 1934, compared with $9.12 in the preceding year. The $8 dividend, therefore, was earned comfortably.

Earnings of the bank are subjected to over three times as large a deduction for taxation in the 1934 year as in 1933. This is a change in accounting practice resulting from inclusion of provincial taxes in the deductions and follows the lines of the policy in the Bank of Montreal's statement in which taxes showed a big increase.

Taxation Detailed

The change in presentation of tax deductions in the income statement is made for the sake of uniformity, and both federal and provincial taxes are shown for the fuller information of shareholders. Formerly provincial taxes were deducted before profits were shown so that the amount was unknown. The change is indicative of the heavy tax burden borne by banking institutions, without taking municipal taxation into consideration.

Deposits Jump

An outstanding feature of the balance sheet is an increase of over $30.5 millions in public deposits. Of this increase over $41 millions is in Canada, the remainder abroad. Canadian savings deposits gained $11,126,336 in comparison with 1933.

Total commercial loans gained over $10 millions to $226,942,028, a favorable indication for bank earnings. While the bank increased its loans, its holdings of securities also advanced. Call loans in Canada, however, dropped to $23,430,645 from $28,771,273. Dominion note holdings were also higher as would be expected from the government policy of note-issue expansion.

Liquidity Improved

The bank estimates that $382,172,287 of its $758,423,904 of assets are in the liquid category, making a ratio of 56.16 per cent compared with one of 55.76 per cent a year ago. This is largely due to the gain in holdings of government and municipal securities to $133,220,489 from $113,782,602 in the year and the rise of Dominion note holdings to $63,174,883 from $48,922,334.

The Financial Post's balance sheet comparison will be published next week.

The Royal Bank, before deducting taxes and other appropriations, shows its net earnings at $4,398,217, compared with $3,901,649 in 1933, the equivalent of $12.57 a share this year, as against $11.15 last year.

Income account follows:

Income and Surplus Account

	1934 $	1933 $
Net earnings	4,398,217	3,901,649
Less: Dividends	2,800,000	2,975,000
Pension fund	200,000	200,000
Premises w/o	200,000	200,000
Taxes	1,075,016	310,000
Surp. for year	123,201	216,649
Add: Prev. surp.	1,383,604	1,166,955
Surplus forward	1,506,805	1,383,604

BANK OF TORONTO EARNINGS HIGHER; LOANS INCREASE

Share Earnings $13.37 After Charges, Against $12.97 in 1933

Bank of Toronto improved its earnings, showing the 10 per cent dividend well covered, and bettered its potential earning position in the fiscal year ended Nov. 30, 1934.

Before deducting taxes and write-off of premises, profits were the equivalent of $18.44 a share compared with $17.30 on the same basis in the preceding year. After deduction of taxes and write-off on premises, net profit was the equivalent of $13.37 a share, against $12.97 in the 1933 year.

After all deductions, including dividends and pension fund, the addition to surplus was $122,499, compared with $118,373 last year. Comparative figures follow:

INCOME AND SURPLUS ACCOUNT
Years Ended November 30

	1934 $	1933 $
Net profit*	1,106,502	1,037,922
Less appropriations:		
Dividends	600,000	600,000
Pension fund	80,000	60,000
Writ. off premises	100,000	100,000
Tax on circ.	......	59,549
Res. for accr. taxes	......	100,000
Taxes	204,003	......
Surplus for year	122,499	118,373
Add: Prev. surplus	614,674	496,301
Balance forward	737,173	614,674

*After expenses of management, provision for bad and doubtful debts, interest accrued on deposits and rebate on discounts.

Instead of showing circulation tax and tax reserves for the year separately, the bank has lumped its taxes under the heading, "Dominion and provincial taxes."

Significant Changes

A significant change in the balance sheet is an increase of $4,157,000 in commercial loans. Security holdings dropped $6,117,000. These changes in the revenue-producing assets may be interpreted as partly responsible for the better profits. At the same time, the liquid position of the bank has been maintained at a high level. The quick assets include an increase of nearly $2,400,000 in Dominion notes, which offsets most of the decline in holdings of government securities, and is indicative of the effects of the Government's policy of swelling bank cash.

Deposits Higher

Among liabilities, total deposits show an increase nearly $3,276,000, of which interest-bearing deposits account for $2,765,000. Separate itemization of the Dominion and provincial deposits in accordance with Bank Act revisions makes it appear that non-interest bearing deposits declined in the year. Taking the governmental figures into account, however, the total gain in deposits above mentioned is shown.

Balance sheet comparison follows:

GENERAL STATEMENT
As at November 30

	1934 $	1933 $
Assets— Immediately Available Liquid Resources		
Specie	411,834	386,351
Dom. notes	10,386,338	7,709,205
Gold reserve	1,230,867	630,867
Due by for. banks	3,311,515	3,164,434
For. currency	29,235	19,053
Govt. sec. short term‡	7,471,848	33,511,798
Do., long term‡	22,288,067	
	45,129,704	45,421,708
Loans and Securities Other Than Those of Canadian Government		
Municipal secs.	5,314,544	7,131,492
Public securities‡	51,386	
Other secs.‡	410,870	1,010,715
Can. call loans	5,652,059	4,083,431
Curr. loans in Can.*	52,267,133	48,046,086
	63,695,992	60,271,724
Due from Other Banks		
Notes of other banks	412,565	412,535
Cheques of other bks.	5,832,854	5,238,935
	6,245,419	5,651,470
Other Assets		
Non-curr. loans*	322,272	386,141
Mortgages	49,282	44,056
Letters of credit	798,048	1,272,746
Premises	3,595,625	3,635,516
Dep. re circ. fund	325,276	315,807
	5,090,503	5,654,261
	120,161,618	116,999,163
Liabilities— To the Public		
Circulation	6,465,239	5,750,284
Govt. advances	1,500,000	1,500,000
Dep. by Dom. Govt.†	705,412	....
Dep. by Prov. Govt.†	1,186,531	....
Deposits by public:		
Non-int. bearing	14,316,918	15,698,327
Interest bearing	77,504,865	74,739,408
To banks abroad, etc.:		
Foreign banks	925,619	999,896
Bills payable	....	382,500
Letters of credit	798,048	1,272,746
Other liabilities	....	231,608
	103,402,632	100,574,769
To banks in Canada	870,846	658,787
To the Shareholders		
Divds., bonus, etc.	150,967	150,933
Reserve	9,000,000	9,000,000
Capital	6,000,000	6,000,000
Surplus	737,173	614,674
	15,888,140	15,765,607
	120,161,618	116,999,163

*After acc. rec. res. ‡Not above mkt. val. †And balances due.

CANAD. NATIONALE BANK MAINTAINS STATUS IN 1933-34

Increase in Deposits is Feature — Profits Are Lower

From Our Own Correspondent

MONTREAL. — Banque Canadienne Nationale's financial statement for the year ended November 30, 1934, in comparison with the same date a year ago, shows a maintenance of profits and a greater investment of assets in securities.

Net profits of last year amounted to $935,823. This represents a decrease of approximately $35,000 from that reported in the fiscal year 1932-33. While there was a decrease of approximately $70,000 paid in dividends, there was a gain of over $42,000 in taxes. After providing for all charges, however, there was a small balance which was carried forward to the profit and loss account.

Particulars of the profit and loss account for the past two years follow:

	1933-34 $	1932-33 $
Bal. forward	220,594	210,244
Net profits	935,823	970,350
Total	1,156,417	1,180,594
Distributed as follows:		
Dividends	630,000	700,000
Pension fund	30,000	30,000
Taxes	147,348	105,000
P. Q. payment	125,000	125,000
Balance c. f.	224,069	220,594
Total	1,156,417	1,180,594

Gain in Assets

Total assets at the end of last month amounted to $127,195,648. This is in contrast to $126,890,619 at the end of November a year ago.

Total deposits with the bank amounted to $103,878,724. This is an increase of approximately $2,850,000 over 1933. In breaking down these returns, the bank statement shows that deposits not bearing interest declined about $1,500,000 to $12,991,113 while deposits bearing interest increased over $2,200,000 to $88,884,745. Other changes among the liabilities are not important.

Rely on Securities

Among the assets, it is noted that call loans remained approximately the same throughout the year, while current loans and discounts declined from $44,603,819 to $38,713,731. Loans to provincial government increased from $2,580,085 to $4,431,122, while loans to municipalities remained about the same.

Investment in securities of various kinds increased during the year from $42,172,443 to $47,918,614.

Gold and currency held by the bank is shown on the statement at $6,701,003, or slightly more than a year ago. Cheques due from other banks, bank balances, etc., amount to $6,254,468 compared with $6,146,419 a year ago.

GENERAL STATEMENT
As at November 30

	1934 $	1933 $
Assets— Immediately Available Liquid Resources		
Specie	908,113	931,585
Dom. notes	5,737,580	5,545,164
Gold reserve	....	1,000,000
Due by for. banks	1,119,399	514,803
For. currency	55,309	54,372
Gov. secs., short term	8,806,457	26,971,616
Other govt. secs.	16,561,562	
	33,188,420	35,017,540
Loans and Securities Other Than Those of Canadian Government		
Public securities	293,537	11,445,888
Can. mun. secs.	18,903,647	....
Other secs.	3,353,412	3,754,940
Can. call loans	5,015,564	5,432,866
Can. current loans*	38,659,586	44,550,585
Curr. loans abroad*	54,145	53,234
Prov. loans	4,431,122	12,377,208
Munic. loans	9,663,028	
	80,374,041	77,614,721
Due from Other Banks		
Notes of other banks	310,260	353,660
Cheques of other bks.	4,199,319	4,479,280
Due by other banks	256,067	440,064
	4,765,646	5,273,004
Other Assets		
Non-curr. loans*	306,909	285,965
Real estate	1,228,718	1,136,231
Mortgages	409,442	627,850
Letters of credit	328,912	442,475
Premises	6,154,129	6,081,233
Dep. re circ. fund	369,424	358,612
Other assets	70,006	52,989
	8,867,540	8,985,355
	127,195,648	126,890,620
Liabilities— To the Public		
Circulation	7,132,649	6,165,014
Govt. advances	2,500,000	4,000,000
Deposits by public:		
Non-int. bearing	12,991,114	14,392,242
Interest bearing	88,884,746	86,651,362
Dep. by Govt.†	663,314	....
Dep. by Prov. Gov.†	1,399,654	....
To banks abroad, etc.:		
Foreign banks	225,440	342,851
Letters of credit	328,912	442,475
	114,065,729	113,993,944
To Canadian banks	762,115	498,479
To the Shareholders		
Dividends	143,734	177,602
Reserve	5,000,000	5,000,000
Capital, paid-up	7,000,000	7,000,000
Surplus	224,070	220,595
	12,367,804	12,398,197
	127,195,648	126,890,620

*After provision for bad and doubtful accounts. †And balances due.

ROVINCIAL BANK PROFIT GREATER THAN LAST YEAR

Decline in Loans Offset by Larger Holdings of Securities

From Our Own Correspondent

MONTREAL. — Restriction of loans, increase in government and other securities held, and a slight increase in net profit are reported by the Provincial Bank of Canada for the fiscal year ended November 30, 1934, as compared with the preceding twelve months.

Last year the Provincial Bank operations resulted in a net profit of $417,366. This compares with $410,654 reported for 1932-33. After taking care of dividends, taxes and other charges, and taking into consideration the previous balance, the balance carried forward amounted to $285,740 compared with $300,074 a year ago.

Particulars of the profit and loss account follow:

	1934 $	1933 $
Net profits	417,366	410,655
Less: Dividends	240,000	250,000
Taxes	101,700	90,500
Balance	75,666	70,155
Brought forward	300,075	369,920
Less: W/o real est.	40,000	40,000
Cont. res.	50,000	100,000
Balance	285,741	300,075

Invest in Securities

Total assets of $46,799,883 show an increase of nearly $1,500,000 on 1933 figures.

There has been during the past year, a small contraction of call loans and current loans and discounts. Loans to municipalities were also lower. This contraction of advances to industry and commerce is reflected in an increase in government and other securities from $17,081,143 to $19,734,074.

The report shows that demand deposits, including the balances due to federal and provincial governments, aggregate $4,705,410 and show very little change since 1933, while savings deposits, including deposits of correspondents, are $32,118,800, an increase of about $1,200,000 over 1933 figures.

Notes of the bank in circulation which vary during the year aggregated at the close of business $3,984,000 and show an increase of over $500,000 as compared with 1933.

Maritime Telephone Stations Register Loss

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. reports a net loss of 22 in the number of stations installed at the end of November, 1934, as compared with that reported in the preceding month. At the close of October, 1934, the company had installed 38,249 stations and at the end of last month 38,227 stations.

The Island Telephone Co., a subsidiary operating in Prince Edward Island, increased the number of installations during November by six to 5,453. Connecting companies, on the other hand, report a decline from 6,357 to 6,342.

The volume of long distance toll traffic handled by Maritime Telephone during November again exceeded the volume of the previous month. While there is one more month yet to complete traffic figures for 1934, the results obtained in the last eleven months indicate that this year's total traffic will show a healthy increase over the preceding year. During November the company completed 112,030 long distance calls, or 94.7 per cent of all calls handled.

Obituary

John Barrett, partner in the firm of John Barrett & Brother, prominent in the Canadian woollen trade, died in Montreal Dec. 24, 1934, in his 77th year.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG.—Freighting into the Central Manitoba district commenced this week when Harry McCaffrey, freighting contractor for Diana Gold Mines, got his teams and outfit across the Winnipeg River at Great Falls on four inches of ice. A detour of six miles around the O'Hanley River is necessary at present as this river is not frozen. It is planned, however, to bridge it later in the season when tractor hauling commences. At present teams are being used on the 50-mile haul.

Freight for God's Lake

R. J. Jowsey, president of God's Lake Mines, has been in Winnipeg this week conferring with directors of the company. Mr. Jowsey intimated that the company does not anticipate any trouble in getting into production. About 4,000 tons of freight will be taken into the plant and also to the power site on the Kenuchuan rapids this winter, but the movement over the ice has not yet commenced because of unfavorable weather conditions. However, the freight is accumulating at mile 286, Ilford, on the Hudson Bay line and a big battery of tractors will make short work of hauling it to the property, once the ice is sufficiently firm.

Clarke Gold Mines

A shipment of 43 tons of ore from the Clarke Gold Mines, Dyment, Ontario, has been made to Hudson Bay Mining and Smelting Co. smelter at Flin Flon for treatment. R. C. Clarke, Buffalo, field superintendent for the company, visited Flin Flon to be on hand during the treatment of the ore. The company has a crew of 40 men working on its property and are sinking a shaft planned to go down to a depth of 1,000 feet.

Gold Lake Mines Calls Meeting

A meeting of shareholders of Gold Lake Mines has been called for Jan. 27, 1935, at which plans for the development of the property and sale of sufficient stock to finance the property to production will be outlined. The company holds a spectacular property in the Rice Lake field. It is understood that the property is under option to mining interests in eastern Canada.

WORK DWINDLING IN SWAYZE AREA SURVEY REVEALS

Once Popular District Now Has Only Three Active Operations

From Our Own Correspondent

SUDBURY. — Activity in the Swaze district, a mining area which three years ago witnessed remarkable staking activity and which for some time gave every promise of development into substantial gold production, has dwindled to three active explorations, that of Halcrow Swayze Gold Mines in Halcrow township, Greenlaw Swayze Gold Mining Syndicate in Greenlaw township, and the Lee Gold Mines, in Greenlaw township.

Lee Gold Mines early in 1934 sank a two-compartment shaft with stations at the 125- and 250-ft. levels and considerable lateral work was done during the year. Values were officially reported at $9 to $25 across a width of seven to nine feet.

The abandonment of the Kenty Gold Mines operations last July proved to be a discouraging factor to those prospectors and operators who had planned further exploration of their properties. The Kenty was the original discovery in the Swayze area, the property being staked in 1931. The venture was sponsored by Kirkland Lake Gold Mines, Brett-Trethewey Mines Limited, Northern Canada Mining Corporation Limited, and the Northland Prospectors Limited. An extensive programme of diamond drilling and underground development was carried on for over two years in an effort to prove up the property, but the results were not sufficiently encouraging to the operators and all work was suspended last summer.

Halcrow-Swayze, however, with Horace F. Strong as president, conducting development, reports good progress. A small sampling mill has been installed and for some weeks has been testing development rock and making a reasonable recovery. Latest reports stated a mill test of the narrow high grade vein on the 350-ft. level had returned values of .17 oz. of gold per ton, and on the 270-ft. sub-level assays of samples indicated values of .14 oz. On the crosscut at the 350-ft. level a station has been cut and some deep diamond drilling is being done to explore vein conditions at a horizon of 800 to 1,000 feet.

At the present time Greenlaw Swayze Syndicate has a force of 10 men at work on surface exploration of its property. Considerable test-pitting and stripping has been done on the claims, and it is the intention, according to officials, to put down a shaft after the first of the year.

During last summer some work was done by Buffalo Canadian Mines Limited on its Cree Lake property, and by Swayze Huycke Gold Mines Limited, at Allen Lake, Cunningham township, but in neither case were results conclusive, and operations were discontinued.

WYLIE-DOMINION OUTLOOK BETTER SAYS PRESIDENT

Finances Have Been Arranged to Bring Property Into Production

From Our Own Correspondent

WINNIPEG, Man.—Visualizing the Wylie-Dominion Gold Mines property at Copper Lake in Northern Manitoba as a potential gold producer, Newton Wylie spent a day or two in Winnipeg this week, well pleased with the outlook for the property.

Finances to bring it into production have now been arranged, Mr. Wylie said and with progress of underground work the general picture has improved.

Underground Work

A shaft on the property is now down approximately 175 ft. It is located between two outcrops of a vein traceable for two miles. On the first level of 125 ft. a considerable amount of drifting has been done and in both faces ore running around one ounce is found. While the drift is being put through five ft. in width, every few ft. slashing is done to determine the width of the lense and it appears to be from eight to 11 ft. across. Ore, Mr. Wylie says, occurs in lenses and the two in which operations are now being conducted appear to be important ore bodies.

Present plans include about 1,200 ft. of lateral work and it is estimated 60,000 tons of ore will then be in sight. The stakers of the property are two old-timers in the north, "Ski" Stewart and Bob Hassett, both of whom have had faith in their holdings from the time they recorded the claims.

Transportation problems are practically non-existent as the property is only a short distance from the railway running to Sherritt-Gordon from Cranberry Portage Junction.

Springer Sturgeon Gold Mines—A property in North Carolina with a production record is under examination by Springer Sturgeon Gold Mines. Depending on the results of the examination negotiations may be consummated which will give Springer-Sturgeon 75 per cent interest in the enterprise.

Bullion Movement in United Kingdom

The following were the United Kingdom imports and exports of gold registered from mid-day on the 26th November to mid-day on the 3rd December:

Exports	£
France	50,225
Netherlands	27,939
Belgium	346,300
Switzerland	2,697
U. S. A.	1,082,854
	£1,510,015
Imports	
France	99,736
Netherlands	8,300
Belgium	38,047
British South Africa	1,237,178
British India	393,158
Hong Kong	40,813
Australia	147,448
New Zealand	7,680
Venezuela	15,531
British Guiana	9,573
Other countries	24,776
	£2,023,240

N. A. Timmins Options Yukon Gold Prospect

An allegedly outstanding gold discovery in the Yukon is under option to N. A. Timmins, of Montreal, according to dispatches from Ottawa. The discovery is a placer one and is situated at Carmacks, a point 50 miles northwest of the Yukon River and 4,700 feet above sea level. A party of men was sent into the property some time ago, also 42 tons of supplies, including ten tons of dynamite.

Hon. George Black, speaker of the House of Commons, on his arrival in Ottawa for the Parliamentary session next month, was responsible for revealing that Mr. Timmins has extended his far-flung activities to the Yukon. Mr. Black was enthusiastic about conditions in the Yukon. "Conditions are best in the Yukon since '98," he said. "There are not so many people but there is more money. This is due to the price of gold rising from an average of $20 an ounce to $35 an ounce."

Metal Prices

New York—Dec. 24—
Copper: Electrolytic spot and future, 9c.
Silver: 53⅜c.

London—Dec. 24—
(Long Ton)—
Copper: Electrolytic spot, £31 10s; future, £32. Standard spot, £28 7s. 6d; future, £28 17s. 6d.
Tin: Spot, £227 12s. 6d; future, £228 5s.
Lead: Spot, £10 7s. 6d; future, £10 10s.
Zinc: Spot, £11 12s. 6d; future, £12.
Silver: 23 5/16 per ounce.
Gold: 140s. 8d.

Canada—Dec. 24—
Gold: $34.46.

Silver

Despite the recent promises of silver senators to campaign for "rational inflation" and increased monetization of silver, the silver policy of the United States is still clearly dominated by the welfare of the eastern exchanges. Proposed Chinese silver borrowings from the United States have brought a denial from the silver groups of any solicitation for the welfare of China's trade. Treasury officials have indicated a desire to await developments in the lobbies before any further advances are made on the silver front.

A ban on exports of silver has recently been imposed in the southern Chinese province of Kwantung but smugglers are still operating successfully. Chinese exchange has experienced a sharp fall and, while officially denied, rumors of a 25 per cent devaluation in Chinese currencies are circulating.

The continued weakness in silver markets during the week under review, spot silver falling by almost two per cent, and a decline in the volume of trading complete the picture of suspense. The present trend is a result of a slackening in the demand which has been offset by a lack of selling pressure and a firm undertone in the London market.

Trading in Montreal
(Dec. 18-24)

	High	Low	Close	Contracts
Dec.	53.40	53.40	53.40	8
Mar.	54.25	53.60	54.25	16
May	54.90	54.25	54.80	5
June	55.00	55.00	55.00	2
July	55.20	55.07	55.07	7
Sept.	56.25	56.25	56.25	6

London spot: High 24 3/16d., low 23 13/16d.
New York spot: High 54 1/8, low 53 1/4.

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RICHSTRIKE MINES ELECTS POOLEY PRES.

Reports on Year's Work Presented at Annual Meeting

From Our Own Correspondent

VICTORIA, B.C.—R. H. Pooley, former attorney-general for British Columbia, was elected president of Richstrike Gold Mines Ltd. at the annual meeting held in Vancouver this week. S. L. Howe was elected vice-president with a directorate composed of E. J. Parker, Emil Schnee, W. H. Patterson, J. H. Beatty, T. S. McPherson, Lorne, B. Sweet and Senator J. H. King.

Reports on the year's work were presented to the meeting covering operations in B. C. and California. The B. C. property in the Bridge River district is temporarily shut down owing to lack of water power. The Pat Holland placer property was reported ready for sluicing in virgin ground and development progressing satisfactorily at both the Boswell and Yankee Jack properties near Redding.

Mining Stock Quotations

Week Ending December 21

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Dec. 17 (or last)	High for week	Low for week	Close Dec. 21
1	.06	.00¾	Aconda	2,000	.00¾	.00¾	.00¾	.00¾
No	.33	.06½	Aldermac	3,500	.08	.08	.07½	.07½
1	.10	.01½	Alexandria	15,000	.01½	.02	.01½	.01½
No	.18	.02½	Algoma	6,566	.03½	.03½	.03½	.03½
No	4.51	2.00	Anglo-Huronian	445	4.00	3.95	3.80	3.80
1	.08½	.01½	Area	500	.01½	.01½	.01½	.01½
No	.20	.01½	Arno	......	.01½	.....	.....	.....
1	1.25	.15	Ashley	1,100	.18	.22	.18	.20
1	.18	.02	Astoria Rouyn	11,500	.02½	.02½	.02½	.02½
1	.60	.04	Bagamac	15,300	.07½	.08	.07	.07½
1	.04½	.00¾	Baldwin	1,500	.01¼	.01½	.01¼	.01¼
1	.22	.06	Barry Hollinger	12,500	.06	.06	.06	.06
1	2.05	.51	Base Metals	13,500	.59	.60	.51	.55
1	.91	.16	B.E.A.R.	24,000	.21	.20½	.17	.17
No	2.45	1.90	Beattie Gold	1,108	2.00	2.05	1.91	1.92
1	.51	.26½	Big Missouri	14,000	.33	.34	.32½	.34
1	.75	.23	Bobjo	27,650	.33	.32½	.29	.30½
1	3.72	1.70	Bradian	139	2.10	2.10	2.10	2.10
No	17.00	9.90	Bralorne	3,367	12.25	12.15	11.75	11.85
1	1.50	.10	Brasil Gold	1,000	.25	.20	.20	.20
1	.16	.02	Brett Trethewey	3,000	.02½	.02	.02	.02
50c	1.41	.16	Bridge River Ex.	3,450	.17	.20	.16	.16
1	.09	.01½	Brownlee	15,300	.02½	.02	.02	.02
1	.02½	.00¾	Buckingham	......	.00¾	.....	.....	.....
1	3.98	1.90	Buffalo Ankerite	1,685	2.95	2.95	2.85	2.95
No	.14	.01½	Buffalo Can.	2,000	.01½	.01½	.01½	.01
5	37.50	23.50	Bulolo Gold	30	34.50	34.50	34.50	34.50
No	.11	.03	Bunker Hill	2,600	.04½	.04½	.04	.04
5s	1.20	1.00	B'Wana McKubwa	......	1.20	.....	.....	.....
No	.14	.02½	Canam Metals	......	.03	.....	.....	.....
1	.20	.02½	Can. Kirkland	12,000	.03½	.03	.02½	.02
No	.78	.38	Can. Malartic	10,075	.56	.59	.54	.58½
1	.02¾	.00½	Capital Rouyn	8,000	.00½	.00¾	.00½	.00¾
1	2.85	1.00	Cariboo Gold	700	1.38	1.31	1.29	1.30
1	.09	.01	Cartier Malartic	2,000	.02½	.02½	.02½	.02½
1	.81½	.49	Castle Trethewey	21,012	.64½	.65	.62	.62½
1	.16	.05	Cen. Manitoba	10,010	.06	.06	.05½	.06
1	1.25	.54	Cen. Patricia	20,705	1.07	1.07	1.00	1.05
No	.16½	.05½	Chibougamau Pros.	55,600	.08½	.10	.08½	.08½
No	.15½	.03	Church. M. & Mill	2,000	.03½	.03½	.03½	.03½
No	.14	.02½	Clericy	4,300	.02½	.02½	.02½	.02½
1	.03½	.00½	Clifton Cons.	28,000	.01½	.02	.01½	.01½
5	5.75	1.60	Coast Copper	......	2.00	.....	.....	.....
1	.06¾	.02	Cobalt Contact	1,500	.02½	.02½	.02½	.02½
No	.94½	.08½	Columario	3,600	.08½	.10	.09	.10
5	2.80	1.35	Coniagas	900	2.35	2.50	2.40	2.45
No	2.55	.97	Coniaurum	11,524	2.30	2.55	2.30	2.55
25	170.25	118.00	Cons. Smelters	390	135.50	136.00	132.00	133.25
No	45.50	32.00	Dome Mines	580	38.50	38.75	38.00	38.50
1	.14	.06	Dom. Explorers	......	.06	.....	.....	.....
1	.02½	.00¾	Dominion Kirk.	22,500	.01¼	.01¼	.01¼	.01¼
1	.17½	.01	Duparquet	46,500	.10	.09½	.08½	.09½
1	4.35	.86	Eldorado	18,075	1.20	1.20	1.08	1.15
No	4.15	3.00	Falconbridge	935	3.45	3.45	3.25	3.35
1	.11½	.01½	Federal	4,500	.02½	.02½	.02½	.02½
No	.07	.01½	Gilbec	4,000	.01½	.02	.02	.02
No	4.30	.70	God's Lake	69,920	2.02	2.03	1.78	1.93
1	.30	.08	Goldale	5,100	.18	.18	.16	.18
50c	.47	.28½	Gold Belt	......	.40	.....	.....	.....
10	.57	.12	Goldfield	200	.14	.14	.14	.14
1	.43	.07½	Goodfish	......	.10	.....	.....	.....
1	.18½	.02	Graham Bosquet	4,600	.02½	.02½	.02	.02½
1	1.09	.10	Granada Gold	25,470	.11½	.11½	.10½	.11
No	.53	.06½	Grandora	3,000	.09	.09	.09	.09
1	1.22	.20	Greene Stabell	13,150	.31	.31	.29½	.30½
1	.18	.03	Groselle	1,000	.04½	.03	.03	.03
1	.48	.05	Grull Wihksne	......	.05	.....	.....	.....
1	2.50	.44	Gunnar Gold	41,100	.80	.79	.70	.74
1	.53½	.04	Halcrow Swayze	5,100	.05	.05½	.05	.05
1	.15	.03½	Harker	4,000	.06	.06	.05½	.05½
1	.02½	.00½	Hilltop	......	.00½	.....	.....	.....
5	21.65	11.40	Hollinger	1,680	19.05	19.00	18.55	18.55
1	1.40	.93	Howey Gold	7,150	1.08	1.05	1.00	1.02
No	15.00	9.00	Hudson Bay	891	11.80	11.90	11.75	11.75
1	14.25	10.45	Inter. Mining	30	13.75	13.00	13.00	13.00
1	6.25	4.00	Do., Pur. Warr.	......	5.25	.....	.....	.....
No	29.00	21.15	Int. Nickel	7,199	22.50	22.65	22.12	22.65
1	.48	.14½	J. M. Cons. Gold	27,400	.20	.20	.14½	.15
1	.03½	.00¾	Keora Mines	......	.01½	.....	.....	.....
1	.39½	.08	Kirkland Cons.	2,300	.10	.11	.08	.11
1	.73½	.26	Kirk. Hud. Bay	1,000	.30	.26	.26	.26
1	.05	.00¾	Kirk. Hunton	6,600	.01	.01	.00¾	.01
1	.79½	.29	Kirkland Lake	7,050	.61	.60	.55	.55
1	.40½	.15	Kirk. Townsite	4,500	.20	.20	.20	.20
20c	.02½	.00¾	Koot. Florence	......	.01	.....	.....	.....
1	.23	.01	Lakeland	26,500	.01½	.01½	.01½	.01½
No	.18	.03	Lake Maron	31,700	.04½	.04½	.04	.04½
1	58.50	42.00	Lake Shore	3,035	52.30	53.50	52.40	52.40
1	.48	.03	Lamaque Contact	3,000	.04½	.04½	.04	.04
1	.26	.03	Lebel Oro	7,600	.05	.04½	.03½	.03½
1	.22	.03	Lee Gold	56,000	.03	.04	.03	.03
No	7.75	4.05	Little Long Lac	36,400	6.95	7.40	6.70	7.25
1	3.05	1.85	Macassa	8,966	2.55	2.56	2.50	2.51
1	.08½	.01½	Malrobic	12,000	.01½	.01½	.01½	.01½
No	.17	.05	Mandy	500	.08	.08	.08	.08
No	.40	.12	Man. & Eastern	8,350	.16	.15½	.13	.14
1	1.00	.07	Maple Leaf	15,650	.07	.07½	.07	.07
5	50.00	39.00	McIntyre	745	42.00	41.75	40.00	40.00
1	1.74	1.01	McKenzie Red L.	9,700	1.27	1.30	1.18	1.28
1	.75	.50	McKinley	675	.68	.75	.70	.70
No	.06¾	.01½	McLeod River	24,500	.01½	.01½	.01½	.01½
1	.75	.30	McMillan	12,950	.31	.31	.30	.30
No	.55½	.25	McWatters	11,950	.38	.40	.36	.40
1	1.21	.24	McVittie	16,464	.27½	.32	.28	.31
5	1.50	.50	Mentor Exp. & Dev	......	.50	.....	.....	.....
No	2.47	1.01	Mining Corp.	500	1.05	1.06	1.03	1.03
No	.21	.16½	Minto Mines	......	.16½	.....	.....	.....
1	.08½	.02½	Moffatt Hall	6,500	.02½	.02½	.02½	.02½
1	.20	.08	Moneta	6,000	.11	.11½	.08	.08½
1	.04	.01	Murphy	4,500	.01	.01½	.01	.01½
No	.09½	.01½	Newbec	4,000	.02	.02	.01½	.01½
1	.06½	.02½	Night-Hawk Penn.	......	.03	.....	.....	.....
5	2.88	2.00	Nipissing	1,035	2.35	2.50	2.40	2.40
No	45.05	29.75	Noranda	4,321	34.25	33.75	33.50	33.00
No	.54	.22	Nor. Canada	2,700	.28	.28	.26½	.27
1	.27	.06	Osisko	......	.07	.....	.....	.....
1	.72	.17½	Parkhill	18,400	.20½	.21½	.18	.20
1	.06	.01	Pawnee Kirk.	......	.01½	.....	.....	.....
1	.31½	.16½	Paymaster	12,100	.20½	.21	.20	.20
1	1.40	.40	Pend Oreille	500	.49	.47	.45	.45
1	.06¾	.01½	Peterson Cobalt	1,000	.02	.02	.02	.02
1	1.95	1.26	Pickle Crow	24,600	1.82	1.82	1.70	1.81
1	14.15	10.30	Pioneer Gold B.C.	7,545	11.00	11.00	10.20	10.75
1	.08½	.01½	Porcupine Crown	8,300	.03½	.03½	.03½	.03½
1	.03	.00½	Potter Doal	2,000	.00¾	.00¾	.00¾	.00¾
1	1.75	1.02	Premier Gold	9,670	1.39	1.44	1.35	1.44
1	.06½	.01½	Preston E. Dome	......	.01½	.....	.....	.....
No	1.45	.30	Prospectors Air's	7,800	.95	1.45	1.00	1.00
1	.70	.09	Quebec Gold	4,300	.10	.10	.09	.09
No	.15	.02	Quemont	100	.02½	.02½	.02½	.02½
1	1.73	.27	Read Authier	9,775	.82	.80	.70	.73
1	1.29	.75	Reno Gold	7,425	1.10	1.14	1.09	1.11
1	.02½	.00½	Ribago	4,000	.00¾	.00¾	.00¾	.00¾
1	.05½	.01	Ritchie	1,500	.01½	.01½	.01½	.01½
1	.11½	.01½	Robb Montbray	19,500	.03½	.03	.03	.03
1	.18½	.07	Roche Long Lac	27,400	.10	.10	.07½	.08
1	6.30	1.75	San Antonio	8,392	4.69	4.70	4.40	4.45
50c	.45	.40	Sheep Creek	600	.40	.45	.41	.45
1	1.43	.40	Sherritt Gordon	4,000	.45	.47	.40	.43
1	2.88	1.43	Siscoe	14,655	2.51	2.54	2.45	2.48
1	4.00	2.95	South Amer. Gold	800	3.60	3.90	3.65	3.90
1	.07½	.02½	South Keora	4,500	.02½	.03	.02½	.02½
No	.26½	.02	South Tiblemont	105,200	.02½	.03½	.02½	.02½
No	.46	.08½	Stadacona	25,025	.15½	.16½	.15½	.15½
1	.65	.23	St. Anthony	12,100	.31	.30½	.29	.29
No	2.00	1.00	Sudbury Basin	1,800	1.20	1.20	1.10	1.12
1	.16½	.05	Sudbury Contact	1,500	.06½	.06½	.06½	.06½
1	.11½	.00¾	Sudbury Mines	33,400	.05	.04½	.04½	.04½
1	.63	.35	Sullivan Cons.	5,687	.44	.44½	.42	.42
1	3.20	1.29	Sylvanite	7,780	2.31	2.32	2.25	2.25
1	8.05	3.73	Teck Hughes	8,255	3.95	3.96	3.90	3.93
1	.02½	.01	Timiskaming	500	.01½	.02½	.02½	.02½
1	.76	.15½	Towagmac	1,300	.23	.23	.22½	.23
1	.85	.16	Treadwell	500	.16	.22	.22	.22
No	.02½	.00¾	Vacuum Gas	13,000	.00¾	.01½	.01	.01
No	1.12	.77	Ventures	9,800	.92	.90	.89	.90
1	.83½	.01	Vickers	7,500	.01½	.02	.01½	.02
No	1.53	.36	Waite Amulet	936	.45	.47	.42	.42
50c	.50	.06	Wayside Cons.	15,500	.09½	.09½	.08½	.09
No	.43	.07½	White Eagle	11,800	.09	.09	.08½	.08½
1	.07½	.01½	White Lake	......	.01½	.....	.....	.....
1	.18	.04	Wiltsey Coghlan	6,100	.07½	.06½	.06½	.06½
1	.20	.03	Wood Kirkland	14,000	.07	.06	.03	.03½
No	10.25	6.75	Wright-Hargreaves	3,915	8.70	8.75	8.55	8.70
			OIL STOCKS					
No	.33	.16	Acme Gas & Oil	2,500	.17½	.18	.17½	.18
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	.70	Ajax	9,650	.88	.93	.85	.93
1	.25	.07	Alta. Pacific	1,200	.07	.07½	.07½	.07½
No	.35	.09½	Associated	1,600	.09½	.10½	.10	.10
No	.13	.02½	Baltac	1,500	.03	.03	.02½	.02½
No	1.60	.55	Calgary & Ed.	......	.68	.....	.....	.....
1	.15	.04	Calmont	......	.05	.....	.....	.....
No	.12	.03½	Common Pete.	......	.04	.....	.....	.....
No	.65	.18	Dalhousie	3,595	.23	.24	.22	.23
No	.30	.07	East Crest	3,500	.07	.08	.07	.08
No	.58	.07	Erie Gas	......	.11	.....	.....	.....
No	.75	.15	Foothills	......	.15	.....	.....	.....
No	.25	.14	High Sarcee	......	.14	.....	.....	.....
No	1.90	.45	Home	1,275	.56	.57	.50	.55
1	.25	.08	Homestead O. & G.	1,000	.08	.08	.08	.08
No	.44	.08	Lowery	......	.10	.....	.....	.....
No	.42	.18½	Merland	3,100	.20	.20	.18½	.18½
1	.48	.09	Midwal	30,400	.24	.31	.24	.24½
1	.33	.17	Model	......	.21	.....	.....	.....
5	.17½	.03½	Nordon	2,000	.04½	.04½	.04½	.04½
No	.09	.02½	Oil Selections	2,500	.02½	.02½	.02½	.02½
No	.34	.03½	Olga Gas & Oil	13,700	.04	.04	.03½	.04
1	1.10	.45	Petrol Oil & Gas	20	.50	.45	.45	.45
No	19.55	12.75	Royalite	1,393	17.00	18.00	16.75	18.00
1	.13	.03	Sarnia Oil	2,000	.04½	.04½	.03½	.04½
No	.17	.07	South West Pete.	......	.15	.....	.....	.....
No	.90	.60	Texas Can.	......	.80	.....	.....	.....

VANCOUVER STOCK EXCHANGE
(Transaction for Week to December 18)

Par Val	Range 1934 High	Range 1934 Low	Company	Sales	Close Dec. 15 (or last)	High for week	Low for week	Close Dec. 18
1	.09½	.01½	Alexandria	......	.01½	.....	.....	.....
No	.20	.12	Atlin Pacific	2,000	.13	.12½	.12	.12
25c	.03½	.01	Bayview	......	.01½	.....	.....	.....
20c	.09½	.03	Beaver Silver	3,800	.07	.07	.06½	.06½
25c	.03½	.01	Bluebird	......	.01	.....	.....	.....
1	3.70	1.65	Bradian Gold	1,249	2.15	2.15	2.05	2.08
No	16.95	9.85	Bralorne	250	12.40	12.25	12.00	12.00
1	.48	.06	Bridge River Cons.	3,000	.07½	.07½	.06½	.06½
50c	1.40	.18	Bridge River Exp.	7,900	.20	.20	.17	.18
50c	.27	.15	B. R. Mountain Gold	......	.15	.....	.....	.....
1	1.78	.28	B. C. Nickel	6,400	.41	.40	.40	.40
1	1.25	.90	B. C. Silver	100	1.10	1.10	1.10	1.10
50c	.24	.05	Canadian Rand	400	.07	.07½	.07½	.07½
1	2.90	1.00	Cariboo Gold	650	1.36	1.36	1.35	1.36
No	13.00	8.75	Coast Breweries	20	12.25	12.75	12.75	12.75
1	.51	.18	Congress Gold	400	.25	.25	.25	.25
1	.06	.01½	Dalhousie Mines	......	.01½	.....	.....	.....
No	2.07	.25	Dentonia	17,500	.41	.40	.38	.38
No	.07½	.01	Dictator	40,000	.03½	.05	.04	.05
1	.45	.14	Dunwell	......	.14	.....	.....	.....
No	.44½	.12	Fairview Amal.	......	.16	.....	.....	.....
1	.42	.15	George Copper	......	.15	.....	.....	.....
50c	.02½	.01½	George Enterprise	......	.01½	.....	.....	.....
1	.06½	.00½	Georgia River	......	.01	.....	.....	.....
50c	.08	.01	Glacier Creek	......	.04	.....	.....	.....
1	.63	.25	Golconda	3,000	.28	.32	.30	.32
5c	.20	.10	Golconda Ex.	800	.10	.12	.11	.11
50c	.63½	.25	Gold Belt	1,450	.33	.32	.31	.31
50c	.51	.08	Gold Mountain	1,000	.08	.10	.10	.10
50c	.06	.01½	Grandview	......	.01½	.....	.....	.....
No	.38	.16	Grange Mines	6,900	.21	.21½	.20	.20
1	.50	.04	Grull Wihksne	1,250	.05	.05	.05	.05
No	.16	.03	Haida Gold	......	.03	.....	.....	.....
50c	.34	.15	Hedley Amal.	......	.26½	.....	.....	.....
No	.29	.05	Hedley Sterling	1,000	.05	.05	.05	.05
1	.09½	.01½	Hercules Cons.	117,000	.01½	.01½	.01½	.01½
No	.28	.07	Home Gold	4,500	.10½	.11	.10½	.11
1	.04	.01½	Independence	......	.01½	.....	.....	.....
1	.04	.01½	Indian Mines	......	.01½	.....	.....	.....
1	.21	.10	Inter'tl Coal	......	.16	.....	.....	.....
1	.42	.20	Jack Waite	1,000	.25	.30	.30	.30
50c	.65	.19	Kootenay Belle	500	.58	.55	.55	.55
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
1	.01½	.00½	Lakeview	5,000	.01½	.01	.01	.01
10c	.06	.02	Lucky Jim	......	.02	.....	.....	.....
No	.40	.11	Mak Siccar	......	.19½	.....	.....	.....
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.14	.09½	McGillivray Creek	......	.13	.....	.....	.....
10c	.33	.08	Meridian Min.	8,300	.12½	.13	.12½	.12½
5c	.04	.03½	Metaline Metals	......	.03½	.....	.....	.....
No	.85	.13	Minto Mines	9,700	.16	.16½	.15½	.16½
1	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.08½	Morning Star	2,800	.10	.10½	.09½	.10½
1	.05½	.00½	Morton Woolsey	2,500	.01½	.01	.00½	.00½
50c	.09	.03	National Silver	6,100	.04½	.04½	.03½	.03½
50c	1.36	.09	Nicola	......	.00	.....	.....	.....
50c	.17	.06½	Noble Five	3,500	.06½	.06½	.06½	.06½
1	.54	.12½	Pavilion	1,500	.35	.35	.35	.35
No	.10½	.03½	Pilot Gold	......	.05	.....	.....	.....
1	14.25	10.50	Pioneer Gold	210	11.50	11.00	10.75	10.75
50c	.18	.06½	Porter Idaho	8,000	.08½	.08	.08	.08
No	.02½	.00½	Premier Border	......	.00½	.....	.....	.....
1	.06	.02½	Quatsino Copper	......	.02	.....	.....	.....
50c	.19	.06	Red Hawk	......	.06	.....	.....	.....
No	.27	.09	Reeves McDonald	......	.11	.....	.....	.....
1	1.25	.75	Reno Gold	3,900	1.10	1.17	1.09	1.14
1	.15	.03	Reward Mining	......	.04	.....	.....	.....
1	.03½	.01	Rufus Argenta	......	.01	.....	.....	.....
1	.05	.02	Ruth Hope	......	.02½	.....	.....	.....
1	.60	.25	Sally Mines	10,600	.56	.60	.55	.55
50c	.35	.07½	Salmon Gold	500	.08	.08	.08	.08
1	.09	.04	Silverado	......	.04	.....	.....	.....
25c	.04½	.01½	Silvercrest	......	.01½	.....	.....	.....
20c	.17	.04	Silversmith	1,000	.06	.07	.07	.07
50c	.03½	.00½	Snowflake	......	.00½	.....	.....	.....
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.40	.07	Standard Gold	......	.07	.....	.....	.....
10	13.00	4.75	Sunshine	50	11.75	13.00	13.00	13.00
1	.28	.15	Sunloch	......	.15	.....	.....	.....
No	1.20	.23	Taylor Bridge	2,500	.29	.29	.28	.29
1	.65	.10	Taylor Windfall	......	.14	.....	.....	.....
5	.25	.20	Toric	......	.20	.....	.....	.....
50c	.35	.04½	United Empire	2,000	.08	.08	.08	.08
No	3.50	.35	Vidette Gold	13,800	.63	.66	.62	.62
No	.21½	.02	Viking Gold	2,000	.02	.02½	.02½	.02½
No	.27½	.02	Waterloo Gold	8,800	.03	.04	.03	.03
25c	.03	.01	Waverly Tangier	......	.01	.....	.....	.....
50c	.47	.06½	Wayside	14,312	.09½	.10½	.09½	.09½
20c	.03½	.01½	Wellington	......	.01½	.....	.....	.....
No	.44	.10	White Eagle	......	.10	.....	.....	.....
1	.10½	.04	Whitewater	2,000	.04½	.04½	.04½	.04½
	.62	.56	Ymir Yankee Girl	4,000	.57	.61	.56	.57
			OIL STOCKS					
1	.15½	.06	Amalgamated	1,500	.07½	.07	.06½	.06½
1	.08	.03	Anaconda	500	.04	.04	.04	.04
1	.10	.07	Brit. Dominion	......	.09	.....	.....	.....
1	.11½	.03	Crow's Nest	500	.05½	.06½	.06½	.06½
No	.09½	.01½	Devenish	......	.....	.....	.....	.....
No	.15½	.05	Freehold	......	.07	.....	.....	.....
No	.13	.03	Hargal	500	.03	.03	.03	.03
No	.35	.12½	High Sarcee	......	.13½	.....	.....	.....
No	.05	.00½	Madison	......	.00½	.....	.....	.....
No	.35	.05	Marjon Oil	2,100	.15½	.16	.15½	.15½
No	.05½	.02	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.47	.25	McLeod	......	.42	.....	.....	.....
No	.22	.10	Mercury	200	.12	.11½	.11½	.11½
No	.22	.09	Mill City Pete.	......	.09	.....	.....	.....
No	.18	.04½	Okalta	......	.05½	.....	.....	.....
100	30.00	18.00	Do., pref.	......	30.00	.....	.....	.....
No	.17	.04½	Pacalta Oil	7,000	.08	.07½	.08	.08
1	.86½	.14	Ranchmen's	300	.82	.73	.70	.70
No	.04	.02½	Richfield	......	.02½	.....	.....	.....
1	.42	.20	Spooner	500	.26	.25	.25	.25
No	.11½	.03	United	100	.05	.05½	.05½	.05½
No	.50	.06	Vanalta	......	.08	.....	.....	.....
1	.20	.10	Vulcan	......	.13	.....	.....	.....
1	.35	.07½	Wellington Oil	......	.08	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield
Acme Gas	2c.	.....
Ajax Oil	8c.	8.60
Anglo-Huronian	40c.	10.52
Bralorne	60c+20c	6.75
Buff. Ankerite	10c.	3.38
Bulolo Gold‡	90c.	.....
Coast Brew	92c.	7.21
Coniagas†	12½c.	.....
Cons. Smelters	$1+$1	.....
Dome Mines	$2+$1.50	9.09
Falconbridge	7½c.	.....
Hollinger	65c+65c	7.00
Howe Sound	$3	.....
Howey Gold	10c.	.....
Int. Coal & Coke‡	1c.	.....
Inter. Mining	15c.	.....
Int. Nickel c	15c.	.....
Kirk Lake†	3c.	5.45
Lake Shore	$2+$1	5.73
Macassa†	5c.	1.99
McIntyre	$2	5.00
McKinley Mines†	2½c.	.....
Mercury Oils‡	4c.	.....
Merland Oils	5c.	.....
Model Oils	3c.	.....
Nipissing	12½c.	.....
Noranda‡	$1	.....
Nor. Canada‡	2c.	.....
Petrol Oil‡	3c.	.....
Premier	12c	8.33
Pioneer B.C.	80c.	7.44
Reno	3c	2.70
Royalite	50c.	2.77
San Antonio	7c.	.....
Siscoe	12+5c.	6.86
So. Amer Gold	30c	.....
Sylvanite	20c	8.88
Teck-Hughes	40c.	10.20
Toburn	8c.	.....
Wright-Har.	40+20c.	6.89

‡Interim †Initial